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Consumer markets abroad

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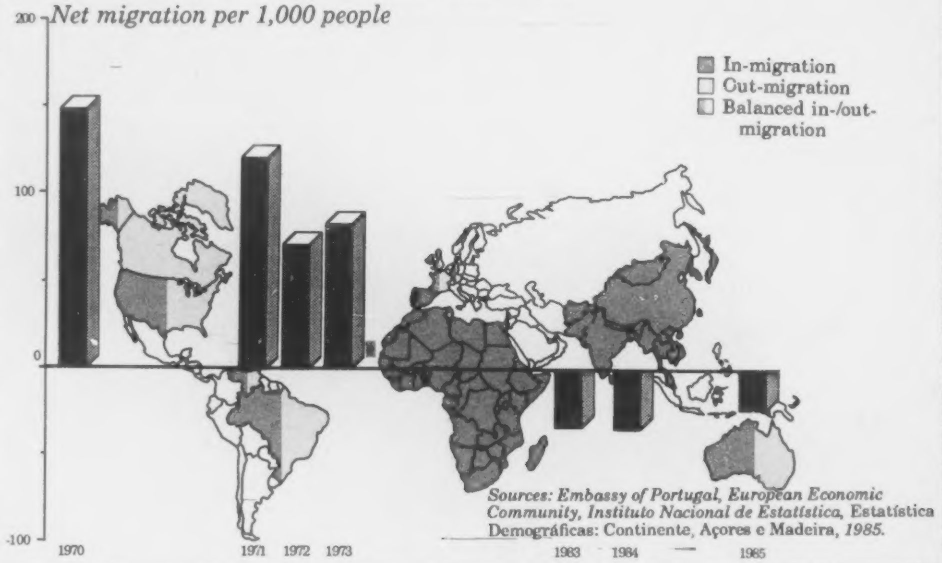
in depth

PORTUGAL: SETTING NEW GOALS FOR GROWTH

PORTUGUESE STAY HOME AND PROSPER



Sources: Embassy of Portugal, European Economic Community, Instituto Nacional de Estatística, Estatística Demográficas: Continente, Açores e Madeira, *1985.*

*O*ne of the most dramatic changes since Portugal's Prime Minister Anibal Cavaco Silva first came to power in 1985 is the mood of 10.2 million Portuguese. For the first time in over a decade, their country, located west of Spain along the Iberian coast, is growing *economically* as well as demographically. A slow but steady rise in the standard of living may finally offset the 0.9 percent growth in the nation's population.

Portugal's three major regions—the Continent, the Azores Archipelago, and the Madeira Islands—stand to benefit from the economic liberalization and recent EEC membership that Cavaco Silva has initiated. Now, thirteen years after revolution replaced decades of dictatorial rule, the newly re-elected prime minister is not only talking individual incentive and private industry, but he is doing so to the most receptive audience any Portuguese elected official has known to date.

The significance for global business of Portugal's changing climate and 1986 entry into the Common Market is clear: government officials seek foreign investment to infuse ailing industry with badly needed capital. Given the relative poverty the Portuguese have suffered in the past two decades, liberalization should mean economic improvement.

Prime Minister Cavaco Silva's

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VOLUME 6 NUMBER 11 NOVEMBER 1987

agenda includes correcting an enormous public debt—65 percent of GDP or $US 14.2 billion in 1985—which sixteen coalition governments amassed since 1974. By dismantling the state-centered economy of the 1970s, Cavaco Silva hopes to boost initiative and stimulate long overdue growth. Indeed, the plan seems to be working in the short run, as GNP growth will reach 5 percent for 1987, and fixed capital investment grew 9.5 percent in 1986, the first increase since 1982.

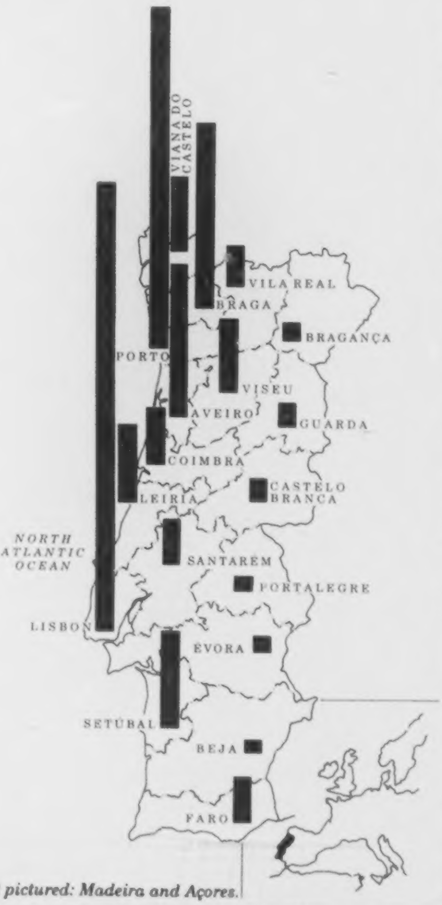
SIGNS OF RECOVERY

Portugal's recovery comes just in time. By 1978, with 20 percent inflation, 11 percent unemployment, a decline in real wages, and high foreign debt per capita, Lisbon looked to the IMF for aid. Like other IMF applicants, Portugal was forced to swallow the bitter "austerity program" pill: a cut in workers' purchasing power designed to curb runaway inflation.

But the pain of these measures, largely felt in 1983–85, has paid off. While still high by European

PORTUGAL'S DENSITY BY DISTRICT

Persons per square kilometer



Not pictured: Madeira and Açores.

EAST MOVES WEST

Population in 1985, population growth rate 1981–85, and population density of Portugal's districts

	Population in 1985 (thousands)	*Population growth rate (1981–85)*	*Population density*
Portugal	10,185	.90	111
Mainland	9,666	.88	109
Aveiro	655	1.30	233
Beja	182	-.85	18
Braga	756	1.67	283
Bragança	186	.30	28
Castelo Branco	228	-.63	34
Coimbra	446	.54	113
Évora	177	-.47	24
Faro	337	1.06	68
Guarda	200	-.63	36
Leiria	434	.83	124
Lisboa (Lisbon)	2,120	.60	768
Madeira	267	1.44	337
Porto	1,644	1.31	687
Portalegre	140	-.58	23
Santarém	460	.35	68
Setúbal	742	3.19	147
Açores (Azores)	252	.90	112
Viana do Castelo	265	.79	118
Vila Real	265	.09	61
Viseu	426	.17	85

Source: Embassy of Portugal, Instituto National de Estatística, Statistical Yearbook of Portugal, *page 3.*

Portugal's population growth has been concentrated on the west coast, where the tourist industry thrives.

Consumer markets abroad

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standards, inflation has plunged to 9.7 percent this year, and is predicted to fall even farther to 7.5 percent by 1988. At 5 percent, GNP growth will be approximately three points higher than average EEC growth. Per capita GNP has risen from $US 743 to $US 1,970 in 1986 and unemployment, already down to 9 percent by 1985, is projected to fall to 8.5 percent by 1988.

Already, the gains have translated into a current account balance of $US 1.13 billion. While exports, primarily textiles and footwear, are rising, imports, fueled by a growing middle class, are edging up as well. In 1976 imports accounted for 30 percent of GDP; by 1985 they accounted for 41 percent. Portuguese have traditionally imported oil (which added to their woes during the 1973 oil crisis) and food. Recently, however, they are joining the electronics/high-tech/telecommunications import boom.

As a new entrant into the European Common Market (see Special Report on page 10), Portugal stands to gain a great deal in the way of subsidies for agriculture, trading preference, and "inward" foreign investment. But competition for markets within the EEC is fierce, and a country just starting to nurture production of exportable goods will face many obstacles. Nonetheless, political and cultural benefits for the Portuguese people in becoming a member of the community should add to the strength of EEC membership.

THE PORTUGUESE AT A GLANCE

Continental Portugal, stretching 135 miles across its widest region and 349 miles from north to south, supports 9.7 million or 95 percent of the total Portuguese population. The Açores (Azores) Archipelago, with 252,000 people, is comprised of nine islands located about 800 miles west of the continent. Equally populated but smaller in size, Madeira and Porto Santo are located 600 miles southwest of the Iberian peninsula.

Portugal's famed coastline spans the entire western and southern border of the country; Lisbon, Porto, and most other major cities are situated along this Atlantic coast, which has become the socioeconomic heart of the country. Spain is the only land border lying to the north and east. Consequently, its actions are closely monitored by an otherwise isolated neighbor.

On average, a Portuguese man will live to be 68 and a woman to be 75 years old. For the country as a whole, life expectancy is 71 years from birth. Just seventeen years ago, however, a Portuguese man could only expect to live 64 years and a woman 70. This prolongation of life indicates a general improvement in the health and lifestyle of most Portuguese. The seven year difference on average between men and women matches gender differences for life expectancy in most European countries. The total length of life, however, is slightly shorter, as Swedish men (on average) live to 74 and French women live to 80.

Total population in Portugal has been growing fast—a novelty in Europe today. Whereas aging populations in most EEC countries, particularly in the north, have experienced a dramatic fall in fertility rates, the total Portuguese population, one quarter of which is under 15 years old, increased 13.6 percent from 1971 to 1981, when the last census was taken. Since 1981, the population has grown at a rate of 0.9 percent per year, and projections into the year 2000 forecast 11.1 million Portuguese.

Growth is unevenly distributed among the different *distritos,* or districts, in Portugal (each of which

Total population in Portugal has been growing fast—a novelty in Europe today.

Given the fact that domestic industry is not yet equipped to meet rising consumer demand, Portugal is poised for an influx of imports in a variety of markets, such as food, appliances, electronics, and automobiles.

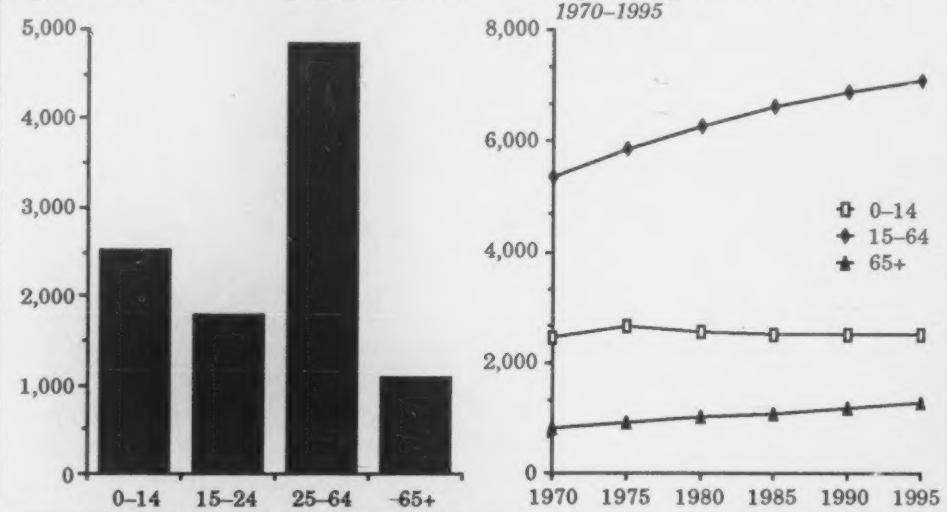
is named for the capital city of that district). In general, the west is growing at the expense of the east, and coastal areas, popular for tourism, show the biggest gains. Population grew an astounding 3.2 percent in Setúbal between 1981 and 1985. Along the scenic Algarve coast, in the district of Faro, population increased 1.1 percent. Other coastal areas with big gains during this four year period were Aveiro, Braga, Porto, and the Madeira Islands. The less prosperous east continued to lose people, especially in the districts of Beja, Castelo Branco, Évora, and Portalegre.

Nearly one half of all Portuguese are in their prime working years (aged 25 to 64). Economic liberalization could not have been better timed from an age standpoint since the potential for growth and spending, especially on household durables and light industrial goods, is strong. Given the fact that domestic industry is not yet equipped to meet the rising consumer demand, Portugal is poised for an influx of imports in a variety of markets, such as food, appliances, electronics, and automobiles.

Space is at a premium in this country, which is one of the most densely populated in Europe. As of 1985, there were 111 people per square kilometer—up from 106 in 1981. This figure is deceiving, though, since such a large majority of the population resides in the west. Especially in the capital Lisbon (population 0.8 million) and second largest city Porto (population 0.3 million), crowding is severe, with modern high rise buildings jutting up against shanty towns.

Lisbon and Porto housed 39 percent of the 2.9 million inhabitants counted as urban dwellers in the 1981 census. The remaining urban centers in Portugal are comparatively small (only six had populations over 20,000 in 1981). Portugal's astoundingly low urbanization (29.7 percent) complicates Cavaco Silva's attempts to raise the level of technology in industry. The percentage of workers employed in industry and construction has remained virtually constant—nearly 35 percent—for a decade. Farming

A HEALTHY WORKFORCE WILL GROW



Source: US Bureau of the Census, Center for International Research.

has not boosted sluggish productivity, since agriculture only contributes 10 percent to GNP while employing 22 percent of the workforce. Small and large farms are ill-equipped and sorely in need of modernization.

One positive sign for growth is declining employment in agriculture and growing employment in services. The agricultural sector has lost 8.6 percent of the workforce to services since 1976. Nevertheless, six million Portuguese reside in rural areas, and Cavaco Silva must mobilize this group in order to achieve his goals.

TRADITION SHAPES THE PORTUGUESE FAMILY

In general, Portuguese get married, stay married, and have more children than their European counterparts. There were 69,000 marriages recorded in 1985, and only 9,000 divorces. In comparative terms, for every 1,000 people, 6.7 get married in Portugal, but only 5.8 get married in the EEC as a whole. Similarly, 0.8 per 1,000 Portuguese will split up for every 1.5 that part company throughout Europe.

Religion is an important factor in these trends. Few countries are so religiously homogeneous as Catholic Portugal. In 1985, 96 percent of the population had been baptized Catholic. Of the 69,000 marriages recorded in 1985, 50,759 couples (74 percent) participated in a Catholic wedding ceremony. There were only 100,000 Protestants and 600 Jews in the entire country as of 1980. Clearly, strong adherence to Catholicism has been one factor in keeping the divorce rate so low, while in countries such as Sweden and Denmark over 45

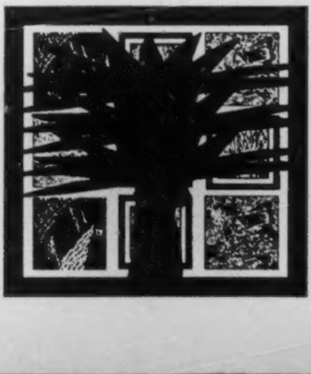
In general, Portuguese get married, stay married, and have more children than their European counterparts.

PUBLIC AND PRIVATE CONSTRUCTION

Private homes increase as a percentage of total housing completed

	1983	*1985*
Building permits granted		
all buildings	55,017	45,225
residential buildings	44,555	35,983
Buildings completed		
all buildings	24,527	22,719
residential buildings	19,112	17,900
Dwellings completed		
by type of investment (%)		
private individuals	55.6	58.7
state and local authorities	14.3	5.9
private bodies	27.9	30.5
building societies	2.0	4.5
public enterprises	0.1	0.1
by type of facilities (%)		
piped water	96.7	97.2
discharging pipes	97.8	99.4
electricity	99.4	99.9
sanitary facilities	100.0	100.0
central heating	4.5	5.5
Number of dwellings per building	2.0	2.0
Average number of rooms per dwelling	4.9	4.9
Average area of rooms (square meters)	14.1	14.4
Average cost per dwelling ($US)	13,272	18,512
Average cost per room ($US)	2,730	3,775
Average cost per square meter ($US)	97	121

Source: Embassy of Portugal, Instituto Nacional de Estatistica, Statistical Yearbook of Portugal, *page 17.*



trendwatch
Portugal

Rising middle class fuels demand.

Employment in the service sector replaces employment in agriculture.

Total fertility rate and average household size remain higher than EEC counterparts.

Economic gap between Portugal and other EEC households is narrowing.

percent of all marriages end in divorce.

The average birth rate for the nation, which grew from 12.8 per 1,000 inhabitants in 1985 to 14.5 per 1,000 this year, belies large regional differences within the country. Data from 1985 show extremely high birth rates—18.3 and 15.4—for the Açores and Madeira Islands, respectively. The northwestern district of Braga also shows a high birth rate: 16.8 per 1,000. Lower rates were recorded in the regions of Beja, Castelo Branco, Evora, Portalegre, and Santarém.

Women in Portugal tend to have more children than their northern European counterparts: higher order births are common. Second births accounted for 31.5 percent of all births in 1985, and third births accounted for 11.3 percent. A Portuguese woman's total fertility rate (the average number of lifetime births per woman at current age-specific fertility rates) is 2.1, higher than nearly every Western European nation save Iceland, Ireland, Liechtenstein, and Malta. The size of the average household is also comparatively high at 2.86 persons per household for 1981. Average household size has fallen considerably since 1970 when it was 3.16. One explanation for this decline may be the increased number of persons living alone.

Parents are relatively young and partially educated. In 1985 women aged 20–24 gave birth to 33.9 percent of all children born that year. Most fathers of these toddlers (34.3 percent) were between 25 and 29 years old. A majority of women who gave birth had completed primary school (64.3 percent), but few had finished secondary school (15.9 percent) and a very small number received some form of higher education (3.2 percent).

Death rates, particularly infant mortality rates, are relatively high in Portugal. Nationally, the Census Bureau projects that 9.6 persons will die for every 1,000 Portuguese this year. In Beja, Castelo Branco, Guarda, and Portalegre, however, more that 13 per 1,000 Portuguese passed away in 1985. Braga and Porto recorded the lowest death rates in 1985: 7.6 per 1,000.

Portugal is still far from its goal of modernization by infant mortality standards. In 1985, 17.8 babies under age one died for every 1,000 live births. This was by far the highest infant mortality rate in the EEC. Regionally, Bragança, Vila Real, and the Açores Archipelago have remarkably high rates at 27.1, 24.8, and 21.8, respectively.

SLOW CHANGES IN CONSUMPTION PATTERNS

Consumption expenditure as percent of total

Consumption category	*1977*	*1980*	*1982*
Food	36.4	32.6	31.1
Beverages	2.9	2.6	2.7
Tobacco	1.7	2.1	2.2
Clothing and footwear	9.1	11.1	11.6
Gross rent, fuel and power	7.0	6.4	5.7
Furniture and household equipment and operations	10.3	10.0	10.0
Medical care and health expenses	3.9	4.4	4.4
Transport and communication	12.3	13.7	15.2
Recreation, entertainment, education and cultural services	4.8	4.7	5.2
Miscellaneous goods and services	11.6	12.5	11.9

Source: European Marketing Data and Statistics 1986/87, *Euromonitor Publications, distributed by Gale Research Company, Detroit, MI, page 275.*

FROM EMIGRATION TO IMMIGRATION

Until 1974, when dictators António Salazar and then Marcello Caetano favored political strength to economic welfare, thousands of Portuguese north of the Tagus river abandoned their villages in search of better lives. Indeed, by 1975 one-third of the Portuguese labor force lived abroad—700,000 in France alone. Today emigration has come to a screeching halt, largely as a result of the prospects for economic gain at home.

Only 14,944 people left Portugal in 1985; in 1970, the peak year for emigration, 1.3 of 9.0 million left the country. During both periods, more than half of all emigrants went to Europe. Other emigrants, for the most part, left for North America.

Not only has a long period of emigration ended, but immigration has begun to take root in Portugal, as former colonial subjects from Africa rekindle their old association. The African countries of Angola, Mozambique, Guinea-Bissau, the Cape Verde Islands, São Tomé, and Principe were all part of the Portuguese empire until the mid-1970s when they gained independence. Recently, some citizens from these countries have immigrated to Portugal, a country whose language and customs became familiar to them through colonization. The total foreign population in Portugal with legalized residence as of 1985 was 79,594. Forty-seven percent are African and more than 31 percent come from the Cape Verde islands alone. Predictably, the Lisbon district, containing Portugal's capital city, is home to more than half of these foreigners.

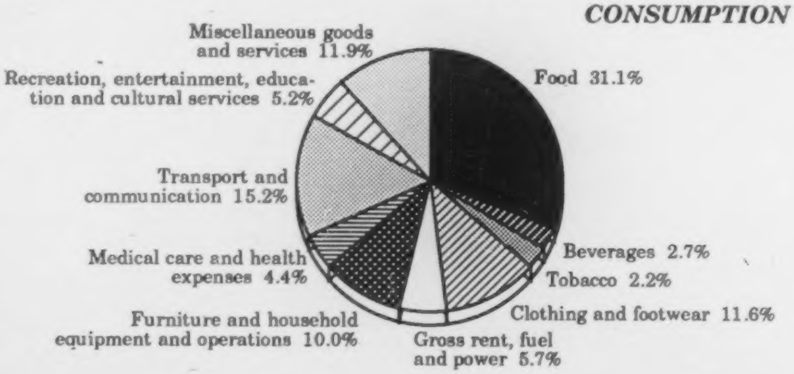
RISING MIDDLE CLASS HOUSEHOLDS FUEL DEMAND

Households in Portugal are less likely to have the amenities commonly found in the households of other European countries. The rural character of Portugal is responsible in part for the fact that only 73 percent of households as of 1986 are served by electricity, only 58 percent have piped-in water, 63 percent a toilet, and 47 percent a shower or bath.

But the gap is closing fast. Nearly 100 percent of new homes have piped-in water and a bathroom, even though only 6 percent have central heating. Sixty-six percent of households have a black and white television, 70 percent have a refrigerator, and 30 percent have a washing machine. Slightly more frivolous commodities, however, are still rare. Only 17 percent of

Today emigration has come to a screeching halt, largely as a result of the prospects for economic gain at home. Only 14,944 people left Portugal in 1985; in 1970, the peak year for emigration, 1.3 of 9.0 million left the country.

CONSUMPTION IN 1982



Source: European Marketing Data and Statistics 1986/87, *Euromonitor Publications, distributed by Gale Research Company, Detroit, MI, page 275.*

Portuguese households have a color television, 15 percent have a freezer, and less than half of all households own sewing machines and record players.

One of the largest demographic and economic changes occurring in Portugal at the moment is the rise of a new middle class. As income, earned and augmented through private stock ownership and investment in changing capital markets, continues to grow, families will gain the means to buy anything from French wine, American computers, or European vacations to Japanese cars.

Nonetheless, Portuguese incomes still fall far short of their European counterparts. "It dismays a Portuguese chairman somewhat to learn that an engineering employee has passed exams for, and has accepted, a job with the EC Commission in Brussels at a salary more than double the chairman and the deputy chairman's earnings put together," explains journalist Diana Smith in *Europe*, (January/February 1987). Put another way, some sales representatives in Spain earn more than half the salary of some Portuguese companies' vice presidents.

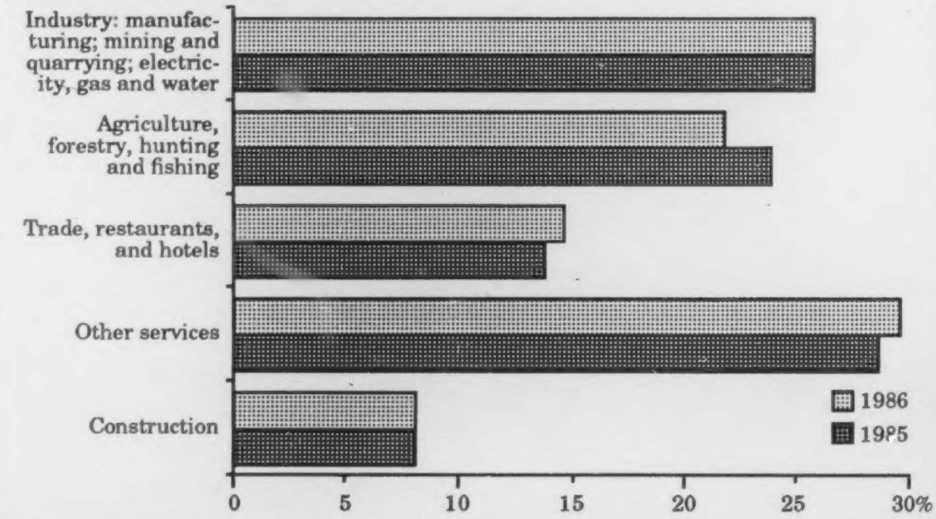
But changes in consumption patterns point to increasing prosperity. Spending on clothing has increased while spending on food has decreased. In 1977, 36.4 percent of total expenditure went for food and 9.1 percent went for clothing. By 1982, 31.1 percent went to food and 11.6 percent to clothing. Restaurants and movie houses are busy again; television commercials on state-run networks advertise new household items for sale. Finally, between 1976 and 1985 the annual average growth in collective consumption was 4.2 percent, the highest in the EEC.

SOCIAL INDICATORS

Literacy is low for a country like Portugal. Seventy-eight percent of all men and 65 percent of all women are literate, yielding an average literacy rate of 71 percent for the country as a whole. In 1985 there were 17,343 educational institutions and 135,958 teachers. More

In 1985 more women were enrolled in secondary education as a percentage of the secondary school age group than men.

WHERE THEY WORK
Civilian employment by industry, 1985 and 1986



Source: Embassy of Portugal, Instituto Nacional de Estatística, Statistical Yearbook of Portugal, *page 6.*

than 325,000 students completed primary school; 152,000 finished secondary school and 11,000 graduated from some form of higher education such as Coimbra University (Portugal's oldest university), the University of Lisbon, or the University of Oporto.

Women have made some modest gains in recent years. In 1985 more women (56 percent) were enrolled in secondary education as a percentage of that age group than men (54 percent). Labor force participation for women in Portugal stands at 53 percent, which is slightly higher than France, West Germany, Italy, and Switzerland. In theory women are required equal pay for equal work by law. As for pregnancy, 66 percent of women aged 15 to 49 use some type of contraceptive. Dramatic change, however, came in 1984 with the legalization of abortion for cases involving incest, rape, and deformed fetuses.

Statistics on health show growing patient needs and diminishing facilities. One striking example is the increase of inpatients and the decrease of inpatient health institutions between 1981 and 1985. The number of inpatients jumped from 917,000 to 990,000 in those years; the number of institutions dropped from 496 to 380. Consequently, the number of beds per 1,000 Portuguese dropped from 5.2 to 4.0.

SOURCES

The Portuguese Statistical Office, Instituto Nacional de Estatística, provides some excellent information on current demographics. Of these, the most useful sources are *Estatística Demográficas: Continente, Açores e Madeira, 1985* and *XII Recenseamento Geral Da População, II Recenseamento Geral Da Habitação: Resultados Definitivos, 1981,* which gives the results of the 1981 census. Other publications by the Instituto Nacional de Estatística include a monthly bulletin of statistics, monthly indices of production, and annual statistical yearbooks for nearly every sector of the economy. Many of the annual yearbooks are available in English. To order any of these publications, write No Instituto Nacional De Estatística, Avenida António José De Almeida, 1078 Lisboa Codex, Portugal.

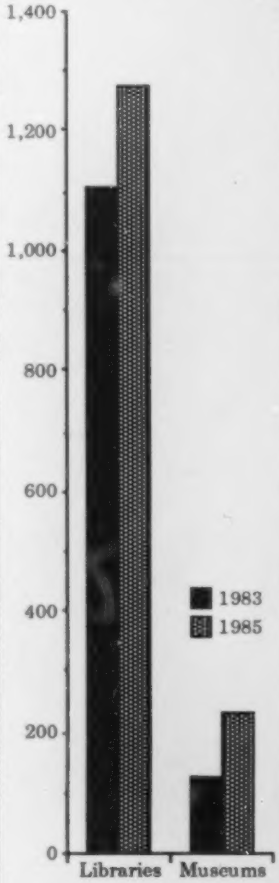
For comparative data, The European Community's publications, especially *Eurostat,* are excellent. *Eurostat,* which appears annually, provides detailed statistical analysis in the following categories: general information, national accounts, finance, balance of payments, population and social conditions, industry and services, agriculture, forestry and fisheries, and foreign trade. The comprehensive volume provides data for each country individually, and for the European Community as a whole (with and without the new entrants, Portugal and Spain). To order EEC publications in the U.S. call (202) 862-9500 or write European Community Information Service, 2100 M St., N.W., Suite 707, Washington, D.C., 20037.

The Population Reference Bureau publishes a quarterly bulletin that provides excellent demographic analysis. The March 1987 *Population Bulletin* provides an insightful overview of population trends in Europe (see *Consumer Markets Abroad,* August 1987). Author Dirk J. van de Kaa explores possible reasons for the changes in marriage and fertility since World War II. To order this bulletin call (202) 639-8040 or write Population Reference Bureau, Inc., Circulation Department, 777 14th St., N.W., Washington, D.C., 20005.

—Blayne Cutler

PORTUGUESE CULTURAL FACILITIES INCREASE

Number of libraries and museums, 1983 and 1985



Source: Embassy of Portugal, Instituto Nacional de Estatística, Statistical Yearbook of Portugal, *page 5.*

special report

PORTUGAL'S NEW MEMBERSHIP IN THE COMMON MARKET

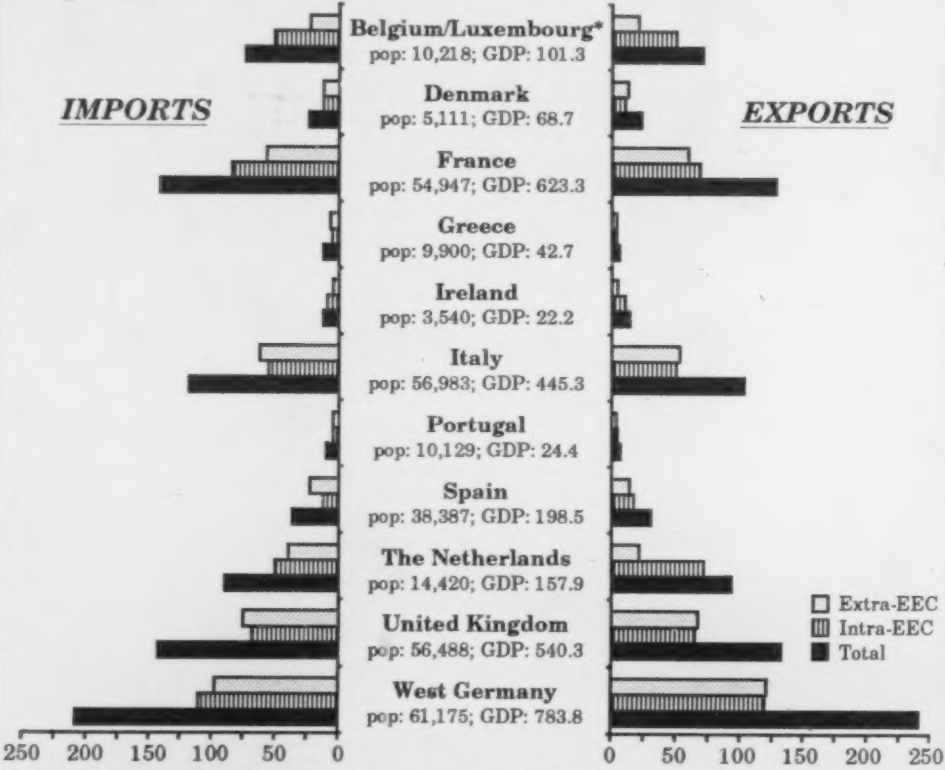
In a move that made it bigger, but perhaps more economically vulnerable, the European Economic Community (EEC) enlisted Portugal and Spain into its organization on January 1, 1986. The move strengthened the EEC's hopes for a more unified Europe, and has provided Portugal—the poorest of the 12 EEC countries—with an opportunity to improve its burgeoning economy and claim its place in the modern world.

As part of a ten year accession period, the EEC has awarded Portugal aid worth approximately $US 735 million. The majority of these funds will go toward modernizing Portugal's inefficient, predominantly agricultural sector. Despite the fact that 25 percent of all workers tend farms, Portuguese still import half of their food and animal feed—and that's when times are good. When times are hard, agricultural imports can swell up to 70 percent and cost over $US 1 billion.

Modernization of the agricultural sector will significantly alter the lifestyle of the Portuguese farmer, particularly in the north. Many of these 800,000 subsistence farmers face dislocation; their migration to urban areas may exacerbate Portugal's severe metropolitan housing and unemployment problems. Furthermore, in an effort to avoid a flood on European markets, the EEC has imposed temporary quotas on Portuguese wine, olive oil, and

EEC TRADE COMPARED

Imports and exports of EEC countries in billion ECUs (1 ECU=$US .98 in 1986); 1984 population (thousands); 1984 GDP (billion ECUs at current prices and exchange rates)



** Statistics here are combined for Belgium and Luxembourg. Individual values: Belgium: population: 9,852; GDP: 96.9 Luxembourg: population: 366; GDP: 4.4*

Source: European Economic Community, Eurostat Review 1976–85, *pages 35 and 191; Instituto Nacional de Estatistica,* Statistical Yearbook of Portugal, *page 28.*

other agricultural commodities. But the elimination of tariff barriers within Portugal for European household goods and electronics is resulting in a stampede of cheaper luxury items. During this transition period, Portugal will buy more than it can sell.

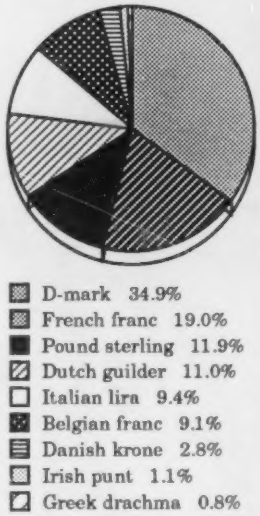
For the average Portuguese consumer with a per capita income of $US 1,970, the growing appearance of affordable hi-fi's from Luxembourg and home computers from West Germany is a welcome boon. But the thrill may be temporary, as food prices increase in an effort to keep up with the heated economy. Tourists who once flocked to Portugal for an inexpensive trip to the Old World may feel the squeeze of modern times, particularly in the once quaint, inexpensive Portuguese restaurants. The days of the cheap summer on the Iberian coast may belong to the past.

On the positive side, Portugal stands to gain on almost every economic level once transitional kinks are smoothed. Efforts to encourage competition, deregulation, and foreign investment are all healthy signs in that direction. The EEC's willingness to allow Portugal to adapt slowly, and to become competitive field by field, is another indication that the sudden disorienting flight from Old World to New can happen with minimal jet lag.

EEC strategies for the future focus on developing high-tech manufacturing capabilities that can compete with America and Japan. In order to develop these capabilities, the EEC as a whole must become more competitive globally. While countries like Portugal and Spain are not yet technologically advanced, their entry into the EEC represents a certain European solidarity. Twelve countries are better than 10; there is strength in numbers. It's an old strategy, and the EEC is banking on countries like Portugal to help make it pay off. Literally. In this way, Portugal stands to gain where the EEC gains, and to lose accordingly.

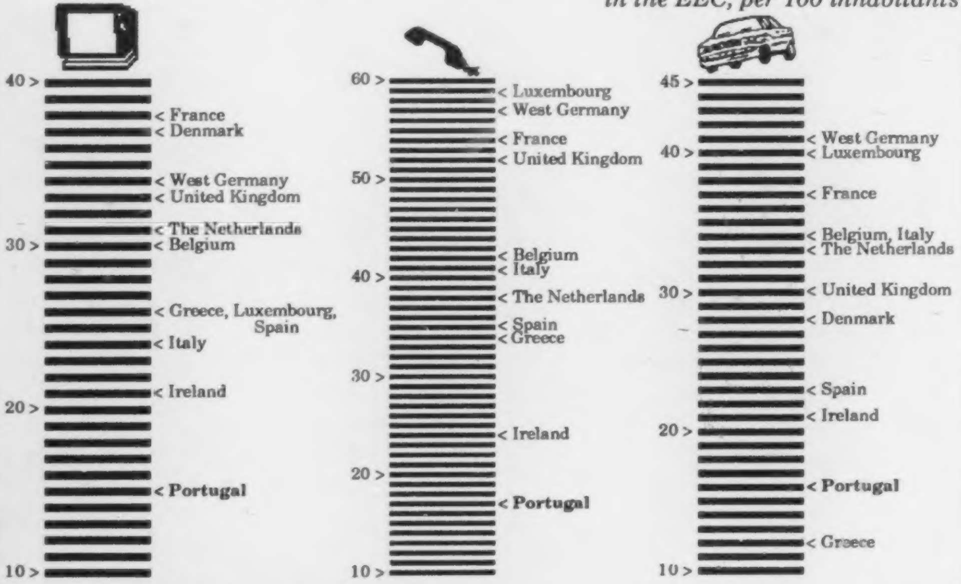
—Franklyn A. Crawford

WHAT'S IN AN ECU?
Composition of the ECU by currency



Source: The Economist, *September 19, 1987, page 94.*

WHO'S GOT THE GADGETS?
Ownership of TVs (in 1983), telephones (1983) and passenger cars (1984) in the EEC, per 100 inhabitants*



** Denmark: 72 telephones per 100 inhabitants*
Source: European Economic Community, Eurostat Review 1976–85, *page 98.*

SINGAPORE, CANADA, LATIN AMERICA

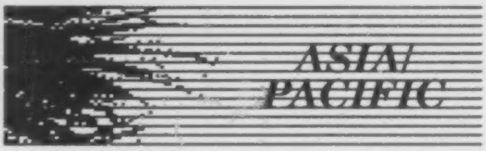
RENTS WORLDWIDE

Average monthly rents for apartments in selected cities, in $US

City	*Average monthly rent ($US)*
Jiddah	800
Hong Kong	750
New York	617
Tokyo	552
Sydney	450
London	430
Calgary	384
Brussels	340
Dublin	340
Bogotá	320
Milan	310
Rio de Janeiro	310
Zürich	310
Toronto	304
Oslo	290
Paris	280
Athens	270
Osaka	268
Bombay	260
São Paulo	260
Montreal	244
Manila	240
Stockholm	240
Seoul	230
Helsinki	200
Mexico City	200
Istanbul	180
Madrid	170
Amsterdam	160
Tel Aviv	130
Vienna	130
Bangkok	100
Cairo	90
Jakarta	80
Singapore	50
Beijing	32

Source: The Book of World Rankings, *The Free Press, Macmillan Inc., 1986.*

Singaporean Labor Minister Lee Yock Suan warns of discrimination against older Singaporean workers. Mr. Lee urged employers to stop hiring foreign workers until the large group of unemployed elderly have found work.



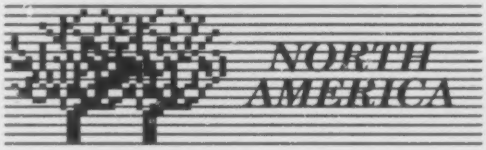
According to *The Straits Times,* a Singaporean daily newspaper, Lee explained that "some employers still stipulate age limits of 40, 35, or even lower in their job advertisements. This cuts out older workers who may be suitable for the job, and is grossly unfair to them."

The Ministry of Labor calculated the median duration of unemployment for those aged 20 to 24 as 12.7 weeks in 1985. For workers aged 35 to 39, unemployment lasted 23.5 weeks, and for those aged 45 to 49, joblessness lasted 25.4 weeks.

But Trade and Industry Minister Lee Hsien Loong counters that the introduction of foreign workers does not hurt the local elderly. He urged that older employees should "render themselves attractive to employers" by developing basic skills. While Trade Minister Lee acknowledged that the rate of joblessness is higher for older Singaporeans, he noted that during the past year the number of unemployed males over 35 had declined from 19,900 in June of 1986 to 15,400 in June of 1987.

On October 3, 1987, Canada and the United States signed a trade agreement which proposes to eliminate all trade barriers between the two countries. While specific details of the agreement are incomplete, the agreement is expected to dramatically increase economic ties between the two countries. Proponents of the agreement estimate that Canada's GNP is likely to increase by 5 percent and the United States' GNP by 1 percent as a result of the accord.

With a population of 27 million, one tenth of the United States figure, Canada is predicted to gain more signficantly as a result of the treaty. In 1986, trade with the United States, their largest trading partner, amounted to $US 120 billion.



Industries most likely affected by the new trade laws are grain, electronics, lumber, beer, automobiles, and fishing. The fishing industry provides a clear example of how the agreement would affect both countries. Canadian fishermen are subsidized by their government and U.S. imports of Canadian fish are restricted by law. Both actions could be terminated under the new treaty.

A college educated, British Columbian male whose household income is greater than $C30,000 is more likely to use a 35 mm camera than any other type of photographic equipment available, according to the Canadian Consumer Photographic Survey.

The study, which examines Canadian ownership, usage of, and preference for photographic equipment, also claims that 89 percent of Canadian households own some type of camera. As household income grows, so does sophistication of camera ownership.

The newest camera in most Canadian households is a 35 mm Rangefinder because of its picture quality and operating ease. A disc camera, however, was valued for its convenient size, low price, and simplicity.

Canadians make snap decisions when purchasing a camera. Eighty-one percent of Canadian households took only one day to decide on their newest camera purchase. The factors that affected their decision most were brand names and the competence of camera salespeople. Most families purchase their cameras from a camera specialty store or a department store rather than a drugstore or a mail order catalogue.

Future camera purchases are planned for 18 percent of households, but 48 percent of that total will wait at least a year before they buy. Over half plan to buy a 35 mm camera, and 18 percent will join the video craze. Fully 27 percent of those Canadians who say they'll buy photographic equipment plan to spend $C300 to 499 on their purchase.

For more information on Canadian photographic preferences and consumer behavior, contact the Photo Marketing Association International, 3000 Picture Place, Jackson, Michigan 49201.

"A university degree does not guarantee—and least of all to a Latin American woman—a top job at decision-making level," says Eulalia D. de Conde in the Statistical Bulletin of the OAS.

The study, *Women's Choice of University Careers in Six Latin American Countries,* shows that in Argentina, Chile, Colombia, Panama, Paraguay and Peru, the number of female graduates from university has been "steadily rising," but more women are choosing "less competitive" or solitary careers.

De Conde defines "less competitive" as those careers in which one can work "without the undue [labor market] stress inherent in other careers." Examples include accountancy, scientific research, dentistry and odontology. In Peru the percentage of women who chose "less competitive" careers of total women graduates rose from 2.7 in 1970 to 14.4 in 1982. Panamanian women chose "less competitive" careers 17.9 percent of the time in 1975 and 23.5 percent of the time in 1982.

LATIN AMERICA

Chilean and Peruvian women most frequently enter "traditional female careers," which fall into the categories of education, medicine (mostly nursing), and social sciences. Eighty percent of Chilean college graduates entered these fields in 1981 as did 58 percent of Peruvian women in 1982. The study also claims that the majority of women do not enter "high prestige careers," which include lawyers, physicians and engineers.

For more information or a copy of the study, write Sales and Promotion Unit, Department of Publications, General Secretariat of the Organization of American States, Washington, DC 20006.

Reminder:

Your December issue of Consumer Markets Abroad *will be the 1988 edition of* ***Trends and Opportunities Abroad,*** *your updated reference to overseas markets.*

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CONSUMER MARKETS ABROAD: *1987 INDEX*

(formerly INTERNATIONAL DEMOGRAPHICS)

This index is for January through November. It indexes both *International Demographics* (from January through March), and *Consumer Markets Abroad* (from April through November). Consult the index under the most important word. For example, find "international advertising" under "advertising." Remember that additional country information may occur under regional or continental headings; so for information on Colombia in a regional framework, check "Latin America."

Starred (*) items are book reviews.

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—compiled by Robert Kibbee

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publications

PROTECTING THE EUROPEAN CONSUMER

European Regulation of Advertising, by Rein Rijkens and Gordon E. Miracle, 1986, Elsevier Science Publishers B.V. Order from Elsevier Science Publishing Company, Inc., 52 Vanderbilt Avenue, New York, NY 10017. $55.00.

The heyday of post-World War II consumerism has led to the accusation that advertisers control our wants and needs. Some fear marketers' insistence that we want things we don't yet know exist. As a result, the advertising industry has been subject to various controls and regulations in order to protect the consumer. Authors Rijkens and Miracle focus on this regulation on a supranational level. They present a comprehensive historical overview of advertising regulation in the EEC, with an eye toward future regulatory developments.

Believing in the consumer's right "to safety, to choose, to be heard, to be informed and to be educated," as well as the industry's right to advertise, Rijkens and Miracle offer recommendations designed to reflect the interests of all parties. Responsibility, they assert, ultimately rests with the advertisers who must "act as the custodians" of freedom by self-regulating their own industry.

—*Janet McClafferty*

It may be shocking for TV pollsters to learn that more is not necessarily better. *Peter Menneer, of the BBC Broadcasting Research Department, claims that "measures of programme appreciation are...a crucial and necessary 'complementary currency of achievement' to the numbers." Menneer's award-winning paper,* ***"Audience Appreciation—A Different Story From Audience Numbers,"*** *appears in the July 1987 issue of the* Journal of the Market Research Society.

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Definition of terms

Age-dependency ratio: The number of persons aged 0 to 14 and 65 and over per 100 persons aged 15 to 64.

Daily calorie supply per capita: The total caloric intake per person per day. The statistic is calculated by dividing the calorie equivalent of the food supplies in an economy by the population.

Enrollment in secondary education: Total secondary-level enrollment (for persons of all ages) divided by the population in official secondary-school ages. A specific age group is not specified here (as it is for higher education) because official secondary-school ages vary from country to country.

Infant mortality rate: The number of infants less than one year of age who die per one thousand live births in a given year.

Lifetime births per woman (total fertility rate): The number of children that a woman would bear if she lived to the end of her childbearing years and bore children at each age according to the age-specific rates in that country.

Median age: The age that divides a population into numerically equal parts of younger and older persons. For example, a median age of 25 years indicates that the number of persons under age 25 equals the number who have already celebrated their twenty-fifth birthdays.

Metropolitan areas: For metropolitan areas with more than 2 million inhabitants, population size was estimated for 1985 by the Center for International Research of the U.S. Bureau of the Census, and refers to population clusters of contiguous area with a population density of at least 5,000 persons per square mile.

Metropolitan areas under 2 million: For metropolitan areas with fewer than 2 million inhabitants, population size was obtained from various international sources, and the latest available data were used. Whenever possible, the population of the entire metropolitan area is shown. However, some figures refer to cities proper. Consequently, the coverage of these data (in terms of density and geography) may not be strictly comparable to that for areas with populations over 2 million.

Major data sources

Data presented in this volume were provided by the Center for International Research (CIR) of the U.S. Bureau of the Census. A majority of the data came from the CIR International Data Base (IDB), including the tables on pages iv to viii. All population data in the first statistical section of each country's "Take a quick look" pages are projected for 1988 by the CIR. Data from other sources represent the latest available year. These sources are listed below.

Female labor force participation rate is for the population aged 15 to 64. Data were obtained from the *ILO Yearbook* and the International Data Base.

Percent literate refers to the population over age 15. Data were obtained from UNESCO.

Percent of the labor force in agriculture, manufacturing, and services was obtained from The World Bank's *Development Report 1987.*

Population per nurse was obtained from The World Bank's *World Development Report 1987.* Data are circa 1981. IDB data were used only when The World Bank had very old or no data. IDB data refer to all types of auxiliary health personnel.

Rates of contraceptive use were obtained from the *UN Wallchart* and the International Data Base.

School enrollment rates were obtained from UNESCO 1987.

Unemployment rates were obtained from the ILO, OECD, *International Marketing Data and Statistics, 1986/87.* Unemployment rates are for 1985 wherever possible, or the latest available year.

How they line up

The most populous

Countries ranked by population size, 1988
(in thousands)

USA: 246,043

1.	China (Mainland)	1,088,169
2.	India	816,828
3.	USSR	286,435
4.	Indonesia	184,016
5.	Brazil	150,685
6.	Japan	122,626
7.	Pakistan	107,467
8.	Mexico	83,528
9.	Philippines	63,199
10.	Germany, West	60,980
11.	Italy	57,455
12.	United Kingdom	56,936
13.	France	55,798
14.	Thailand	54,589
15.	Turkey	54,168
16.	Egypt	53,348
17.	Korea, South	42,773
18.	Spain	39,210
19.	South Africa	35,094
20.	Argentina	31,533
21.	Canada	26,088
22.	Yugoslavia	23,580
23.	Kenya	23,342
24.	Peru	21,269
25.	Taiwan	20,004
26.	Venezuela	18,776
27.	Sri Lanka	16,640
28.	Germany, East	16,597
29.	Malaysia	16,398
30.	Australia	16,260
31.	Saudi Arabia	15,452
32.	Netherlands	14,716
33.	Chile	12,638
34.	Portugal	10,388
35.	Greece	10,015
36.	Belgium	9,881
37.	Sweden	8,393
38.	Tunisia	7,738
39.	Austria	7,577
40.	Switzerland	6,593
41.	Hong Kong	5,651
42.	Denmark	5,126
43.	Finland	4,950
44.	Norway	4,191
45.	Ireland	3,532
46.	Puerto Rico	3,359
47.	New Zealand	3,343
48.	Costa Rica	2,888
49.	Singapore	2,645
50.	Luxembourg	366

How they line up

Having the most babies

Countries ranked by crude birth rate, 1988
(births per 1,000 population)

USA: 15.3

1.	Kenya	51.5
2.	Pakistan	43.2
3.	Saudi Arabia	38.2
4.	Egypt	37.4
5.	Philippines	34.8
6.	Peru	34.3
7.	South Africa	31.8
8.	India	31.2
9.	Venezuela	30.6
10.	Brazil	30.6
11.	Turkey	30.4
12.	Tunisia	29.3
13.	Indonesia	29.1
14.	Costa Rica	27.9
15.	Mexico	27.9
16.	Malaysia	26.5
17.	Thailand	24.6
18.	Sri Lanka	22.4
19.	Chile	21.4
20.	Argentina	20.6
21.	Korea, South	20.5
22.	China (Mainland)	19.4
23.	USSR	18.8
24.	Puerto Rico	18.8
25.	Taiwan	16.9
26.	Singapore	16.3
27.	New Zealand	15.9
28.	Australia	15.5
29.	Yugoslavia	15.4
30.	Ireland	15.0
31.	Portugal	14.5
32.	Canada	14.5
33.	France	13.6
34.	United Kingdom	13.4
35.	Germany, East	13.4
36.	Hong Kong	13.4
37.	Spain	13.1
38.	Netherlands	12.7
39.	Finland	12.5
40.	Norway	12.5
41.	Belgium	12.1
42.	Austria	12.0
43.	Greece	11.9
44.	Japan	11.9
45.	Sweden	11.7
46.	Luxembourg	11.5
47.	Switzerland	11.5
48.	Denmark	11.2
49.	Italy	11.0
50.	Germany, West	10.6

How they line up

The youngest

Countries ranked by their share of youth, 1988
(percent of population aged 0 to 14 years)

USA: 21.49

1.	Kenya	51.51
2.	Pakistan	43.10
3.	Egypt	42.54
4.	Philippines	40.77
5.	Peru	39.83
6.	Mexico	38.82
7.	Venezuela	38.76
8.	Tunisia	38.73
9.	South Africa	38.20
10.	Indonesia	37.67
11.	Brazil	37.56
12.	Turkey	37.39
13.	Saudi Arabia	37.04
14.	India	36.89
15.	Costa Rica	36.17
16.	Malaysia	35.68
17.	Thailand	33.64
18.	Sri Lanka	33.05
19.	Ireland	31.97
20.	Chile	30.29
21.	Argentina	30.04
22.	Puerto Rico	29.18
23.	Korea, South	28.73
24.	Taiwan	28.16
25.	China (Mainland)	27.25
26.	USSR	26.02
27.	New Zealand	23.38
28.	Yugoslavia	23.35
29.	Singapore	23.21
30.	Australia	22.73
31.	Portugal	22.38
32.	Hong Kong	22.10
33.	Spain	21.68
34.	Canada	21.06
35.	France	20.45
36.	Greece	20.00
37.	Japan	19.79
38.	Germany, East	19.51
39.	Finland	19.36
40.	Norway	18.95
41.	United Kingdom	18.75
42.	Netherlands	18.33
43.	Belgium	18.20
44.	Italy	17.74
45.	Austria	17.60
46.	Sweden	17.53
47.	Denmark	17.39
48.	Luxembourg	16.99
49.	Switzerland	16.79
50.	Germany, West	14.71

How they line up

The oldest

Countries ranked by their share of the elderly, 1988
(percent of population aged 65 years and over)

USA: 12.34

1.	Sweden	17.94
2.	Norway	16.30
3.	United Kingdom	15.52
4.	Denmark	15.47
5.	Germany, West	15.34
6.	Switzerland	14.92
7.	Austria	14.79
8.	Belgium	14.31
9.	Italy	13.97
10.	Luxembourg	13.65
11.	Greece	13.62
12.	France	13.55
13.	Germany, East	13.17
14.	Finland	13.02
15.	Netherlands	12.63
16.	Spain	12.61
17.	Ireland	12.45
18.	Portugal	12.04
19.	Canada	11.12
20.	Japan	11.07
21.	Australia	10.74
22.	New Zealand	10.71
23.	USSR	9.12
24.	Yugoslavia	8.93
25.	Argentina	8.91
26.	Puerto Rico	8.66
27.	Hong Kong	8.29
28.	Chile	5.89
29.	Taiwan	5.67
30.	China (Mainland)	5.49
31.	Singapore	5.47
32.	Sri Lanka	4.92
33.	Korea, South	4.46
34.	Tunisia	4.39
35.	Turkey	4.34
36.	South Africa	4.28
37.	Mexico	4.10
38.	Costa Rica	4.06
39.	Pakistan	4.05
40.	Brazil	4.01
41.	Thailand	3.91
42.	Malaysia	3.84
43.	Peru	3.65
44.	Venezuela	3.58
45.	India	3.39
46.	Philippines	3.30
47.	Egypt	3.28
48.	Indonesia	2.76
49.	Kenya	2.09
50.	Saudi Arabia	1.86

How they line up

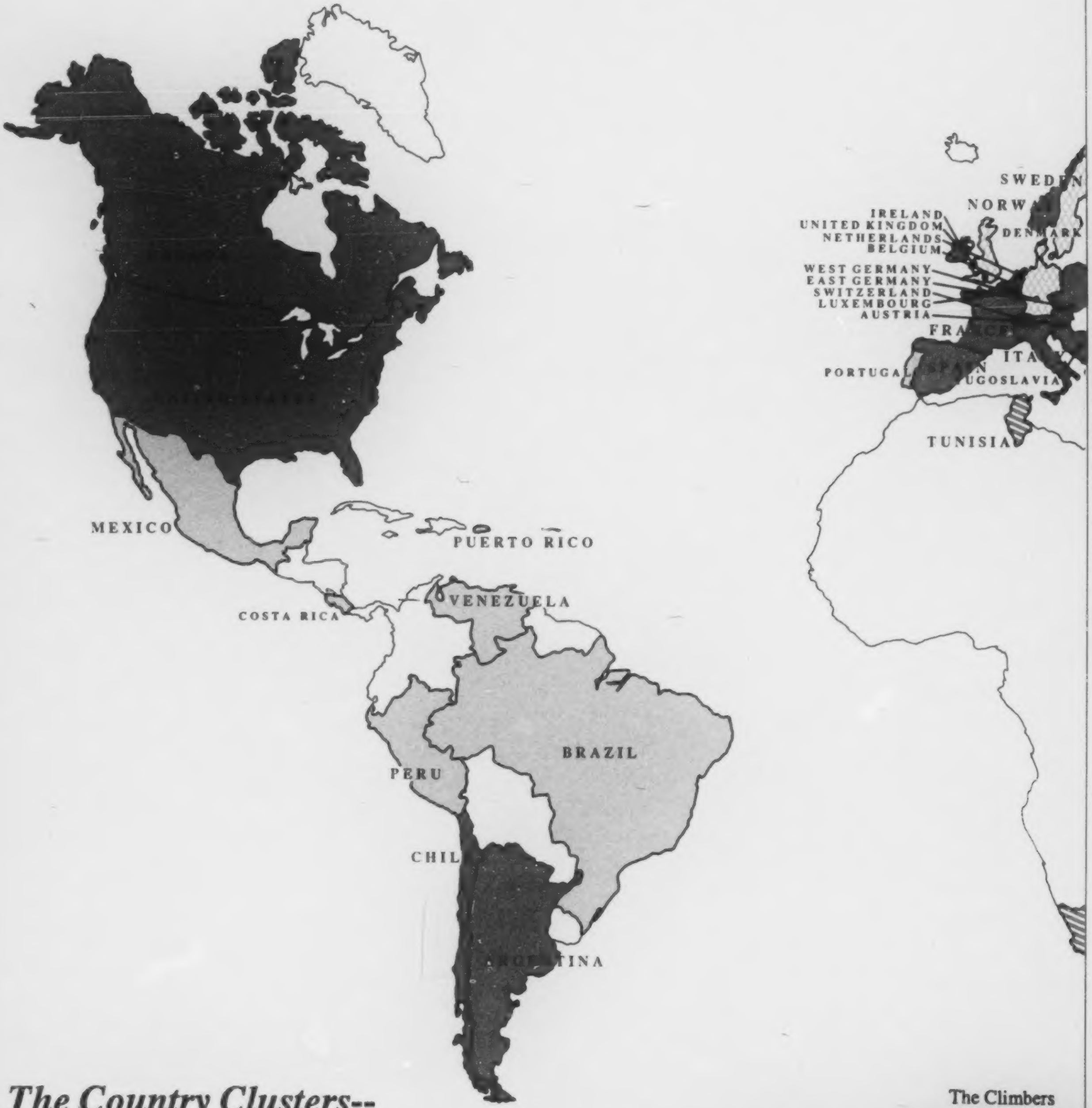
Where life is longest

Countries ranked by expectation of life at birth of total population, 1988 (in years)

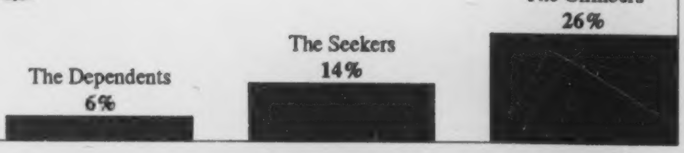
USA: 75.3

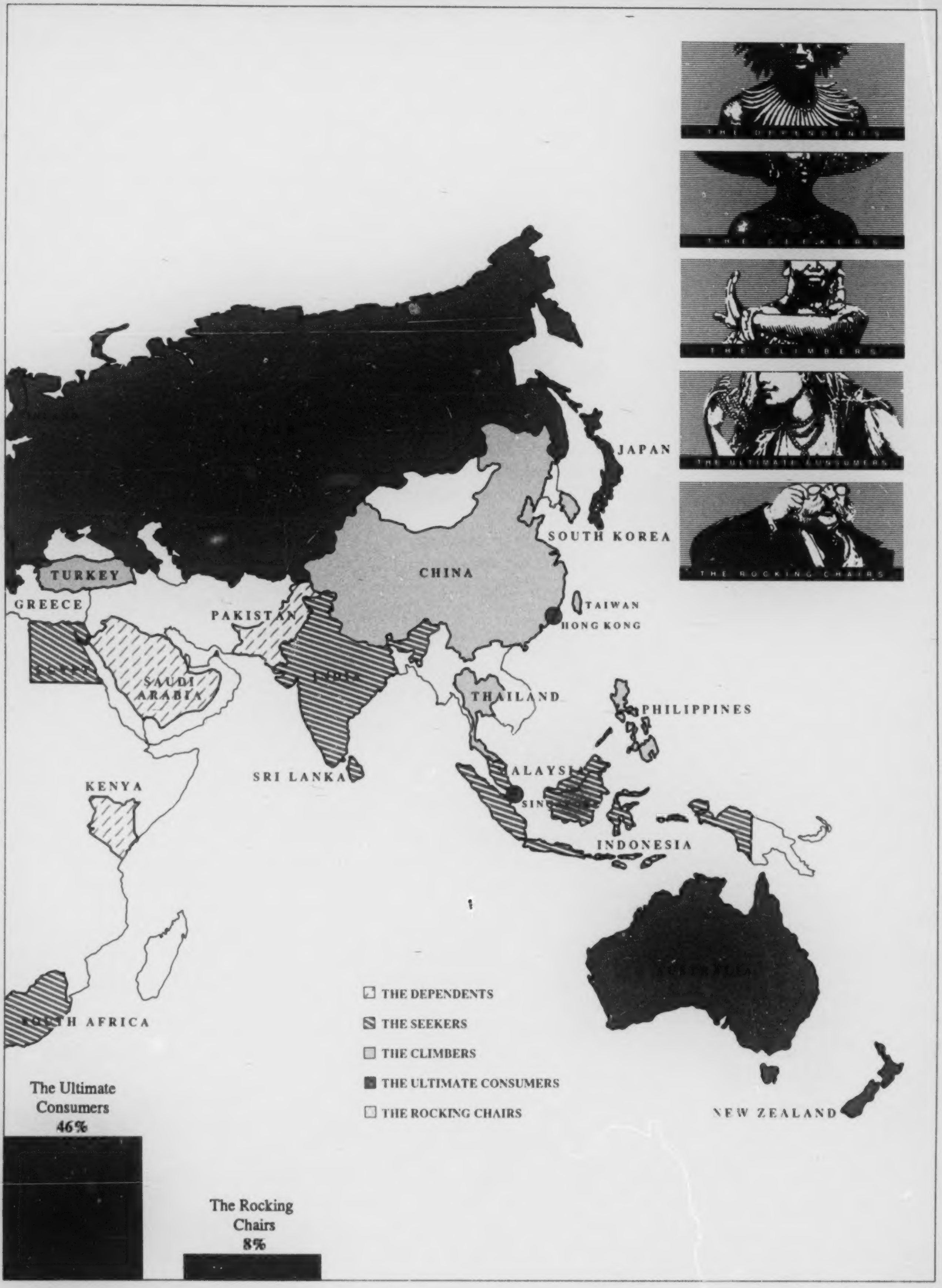
1.	Hong Kong	78.0
2.	Switzerland	78.0
3.	Japan	77.8
4.	Sweden	77.3
5.	Canada	77.1
6.	Spain	77.1
7.	Netherlands	77.0
8.	Greece	77.0
9.	Italy	76.7
10.	Norway	76.6
11.	Australia	76.1
12.	Germany, West	75.8
13.	France	75.7
14.	Costa Rica	75.5
15.	Austria	75.4
16.	Belgium	75.4
17.	Denmark	75.3
18.	United Kingdom	75.1
19.	Finland	75.0
20.	New Zealand	75.0
21.	Puerto Rico	74.9
22.	Luxembourg	74.5
23.	Ireland	74.4
24.	Portugal	74.0
25.	Singapore	73.6
26.	Taiwan	73.2
27.	Germany, East	72.7
28.	Yugoslavia	71.6
29.	Chile	71.3
30.	Sri Lanka	70.4
31.	Argentina	70.4
32.	Mexico	69.7
33.	Venezuela	69.4
34.	Korea, South	69.0
35.	Tunisia	68.9
36.	USSR	68.9
37.	China (Mainland)	68.8
38.	Brazil	67.0
39.	Malaysia	67.0
40.	Philippines	65.6
41.	Thailand	64.8
42.	Saudi Arabia	64.1
43.	Turkey	63.6
44.	Peru	61.5
45.	South Africa	61.1
46.	Kenya	60.6
47.	Egypt	59.3
48.	Indonesia	58.4
49.	India	56.9
50.	Pakistan	53.9

The Country Clusters-- where are they?


SWEDEN
NORW
IRELAND
UNITED KINGDOM
NETHERLANDS
BELGIUM
DENMARK
WEST GERMANY
EAST GERMANY
SWITZERLAND
LUXEMBOURG
AUSTRIA
FRANCE
ITA
PORTUGAL
SPAIN
YUGOSLAVIA
TUNISIA
MEXICO
PUERTO RICO
COSTA RICA
VENEZUELA
BRAZIL
PERU
CHILE
ARGENTINA

The Country Clusters-- who dominates?




THE DEPENDENTS
THE SEEKERS
THE CLIMBERS
THE ULTIMATE CONSUMERS
THE ROCKING CHAIRS
JAPAN
SOUTH KOREA
TURKEY
CHINA
GREECE
PAKISTAN
TAIWAN
HONG KONG
EGYPT
SAUDI ARABIA
INDIA
THAILAND
PHILIPPINES
SRI LANKA
MALAYSIA
SINGAPORE
KENYA
INDONESIA
AUSTRALIA
SOUTH AFRICA
NEW ZEALAND
▨ THE DEPENDENTS
▨ THE SEEKERS
☐ THE CLIMBERS
■ THE ULTIMATE CONSUMERS
☐ THE ROCKING CHAIRS
The Ultimate Consumers
46%
The Rocking Chairs
8%

A Country Cluster Overview

Grouping the world's nations into the two categories of "developing" and "developed" no longer works. The current dynamics of economics and global demographics render these categories too broad, and at times misleading.

To better understand consumer markets in today's world, *Trends & Opportunities Abroad, 1988* clusters the world's 150 largest countries according to their demographic and socioeconomic characteristics. The names of the five clusters—The Dependents, The Seekers, The Climbers, The Ultimate Consumers, and The Rocking Chairs—help identify the kind of consumer markets most commonly found in each country. The clusters give market researchers a quick method of targeting potential world markets for further research efforts.

The 50 countries included in this year's volume are considered potential markets. They are organized by cluster. Within each cluster, they are listed alphabetically. All data cited are the most current numbers available to *Consumer Markets Abroad.* All population estimates are the latest projections by the Center for International Research of the U.S. Bureau of the Census. For a list of all sources used, see the Appendix B, page 217. The most heavily used sources are listed in Major Data Sources, page iii.

For a listing of where other countries fit into the *Trends & Opportunities Abroad* clusters, see Appendix A, page 215. Only demographic and socioeconomic indicators are used to cluster countries. Other considerations, such as the political climate, are not taken into account.

HOW POPULATION TRENDS AFFECT MARKETS

Population trends can significantly influence economic activity. Over the next 14 years, changing populations will shape market behavior in important ways. For Seeker and Climber countries, anticipated growth in population and income mean expanding markets far into the future. For Ultimate Consumer and Rocking Chair countries, a proportionate increase in the aging population and a taste for sophistication will fuel the market. For Dependent countries—the poorest segment of the world economy—intensified efforts by the countries themselves, with greater assistance from the international development community, will help pull these countries up in the face of the relentless demographic pressure of skyrocketing population growth.

In the next 14 years, changing populations will shape market behavior in important ways.

The sheer size of the market in Seeker and Climber countries is enough to sustain high consumer demand. Given the predominance of youth and the ongoing rural-to-urban shift in those countries, demand will center on consumer durables for new families. A high proportion in each of these populations will enter their prime spending years. Construction, sanitation, power, telecommunications, and transport are expected to boom as young workers add pressure to urban job markets and housing.

Some Rocking Chair countries, such as West Germany, are already experiencing a natural decrease in their populations—

more deaths than births. Market growth in both the Ultimate Consumer and Rocking Chair countries is tuned to the rapidly aging segment of the population. The emphasis on quality and service in these highly industrialized countries will continue.

FOUR DEMOGRAPHIC FACTORS SHOW MARKET POTENTIAL

Four demographic factors help identify market potential—the average annual population growth rate, the average number of lifetime births per woman, the status of women, and degree of urbanization.

Countries not presently considered good potential markets look like this: they are growing very rapidly at an average annual population growth rate of about 2.5 percent or more. What's more, they will continue to do so, fueled by a high fertility rate of five or more lifetime births per woman. The status of women is low, with low labor force participation rates and low educational attainment. The urban population is concentrated in one city, which often holds from one-fourth to one-third of the country's entire population.

In contrast, countries with good market potential are growing more slowly, at a rate of 1.5 percent to 2.5 percent a year. They will continue to grow, but fertility is moderate, with women bearing 2.6 to 5 children in their lifetimes. The status of women is improving, with increasing numbers entering the labor force and gaining higher educations. Urbanization is spread throughout the country with several large cities instead of one mega-city.

Countries with mature markets are growing very slowly or stabilizing their populations. Only a few are actually declining in population. They are growing at an average annual rate of under 1.5 percent. Women bear 2.5 children or fewer in their lifetimes (approximately the number of births a population needs to just reproduce itself—2.1 lifetime births per woman).

Countries with mature markets are growing very slowly or stabilizing their populations.

THE DEPENDENTS

About 15 percent of the world's population—730 million people—live in The Dependents. The cluster includes 55 countries, two-thirds of which are in Africa. Nine of the countries are in Asia, six in the Mideast, and three in Latin America.

Dependent countries rely primarily on others for food supplies, for professional assistance in building infrastructure, and for educating their youth, especially at higher levels. Although these countries are making efforts to improve health and education, to slow population growth, to upgrade the status of women, and to increase access to family planning information and supplies, they are still far from reaching their goals.

Women in these countries commonly bear seven or eight children during their lifetimes. Infant mortality rates are high, primarily because of inadequate health care. To compensate for these high mortality rates, women bear many children, playing

THE DEPENDENTS

catch-up in an effort to secure their old age and increase the family labor force. Population growth rates are moderate, however, even though fertility is high, because so many infants die.

Since fertility is so high in Dependent countries, median age is relatively low. Median age hovers around 18. If infant mortality rates are controlled and fertility remains high, population growth in these countries will skyrocket.

Most of the Dependent countries are predominantly rural, with one or two large cities, no medium-sized cities, and hundreds of small, often tribal, villages.

Most of the Dependent countries are predominantly rural, with one or two large cities, no medium-sized cities, and hundreds of small, often tribal, villages. Would-be workers flock to the cities, placing relentless pressure on the limited urban job market and housing stock. Agriculture is the primary activity in most of the Dependent countries, and most women remain in the countryside to work. Women have little access to education and participate only marginally in the wage-earning sector of the economy.

The middle and upper classes in these countries are made up primarily of government officials, residents who have been educated outside of the country, and expatriates.

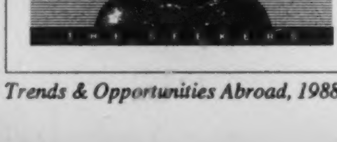
THE SEEKERS

This cluster includes 32 countries with a total population of about 1.2 billion people, or about 21 percent of the world's population. Thirteen Seeker countries are in Africa, six are in the Middle East, and seven are in Asia. India's 730 million people make this cluster the second largest of the five. The smallest Seekers are Qatar and Surinam; the largest, India and Indonesia.

In Seeker countries, women commonly bear five or six children in their lifetimes.

In Seeker countries, women commonly bear five or six children in their lifetimes. Infant mortality rates are below those of the Dependents, allowing women more leeway in considering family planning. The median age is in the high teens or early twenties. Life expectancy is slightly higher than in the Dependents—between age 50 and 60 for most countries. Concerted efforts are being made in many Seeker nations to improve health and education, slow population growth, upgrade the status of women by encouraging them to participate in higher education and in the labor force, and to increase access to family planning information and supplies. But some of these policies are still in their infancy, having been started in the 1970s. Consequently, many of these countries, especially the larger ones, have difficult choices to make.

Seeker countries are more evenly urbanized than Dependent nations, although some nations like India have large mega-cities coping with enormous demographic pressures. Urban growth is rapid in Seeker countries. However, attempts are being made in many nations to increase agricultural production and encourage people to stay on the farm or return to rural areas. Indonesia is the most striking example of a nation with this kind of policy.



THE CLIMBERS

Climber countries are on the move. The countries in this cluster are demographically the most important expanding markets in the world today. Middle-class segments of these populations are growing quickly, and great potential exists for new products and services, especially for the large groups of young adults just entering their prime spending years.

The Climber cluster includes 28 countries with 1.6 billion people, or about 38 percent of the world's population. China's population, in excess of 1 billion, adds significant numbers to this cluster. Only one African country appears in this cluster, along with six Asian, one Middle Eastern, fifteen Latin American, and five European countries. The smallest of the Climbers are Barbados and Martinique; the largest are China and Brazil.

Women in Climber countries typically bear three to five children. China stands out as a notable exception, with births down to nearly two children per woman. These women are much more likely to have attained at least an elementary school education and to participate in the workforce in some capacity other than farm work.

Because of the speed with which Climber countries have developed, populations must be compared by age group. Significant differences exist between the young and the old in literacy, educational attainment, professional achievement, and lifestyle choices. Regional differences can also be acute. In many Climber countries, modern cities with large middle classes and rural areas with extreme poverty exist side by side.

Significant improvements in health care have lengthened life expectancies and cut the death and infant mortality rates. Life expectancy is increasing, although the majority of people in Climber countries do not live to age 65. A steady improvement in life expectancy should continue through the 1990s, increasing the demand for such health-related services as dentistry and optometry. Medical accessories such as partial plates, glasses, and contact lenses should also be in high demand. In addition, pressure will also intensify with regard to pensions, as people increasingly wonder who will care for them in their old age.

Life expectancy is increasing, although the majority of people in Climber countries do not live to age 65. A steady improvement in life expectancy should continue through the 1990s, increasing the demand for such health-related services as dentistry and optometry.

Continued economic growth is characteristic of most Climber countries. Economic growth must keep pace with the persistent demographic pressures of large populations getting larger. Falling population growth rates will not remove the pressure for most of these countries until at least the beginning of the next century. Populations will increase before they stabilize because of the demographic momentum built into their large and youthful population bases.

This is especially true for the economically troubled Climber countries in Latin America, such as Peru and Mexico. Even Brazil and Venezuela will have to grow at a rapid pace just to tread water. In some Climber countries, such as South Korea and Taiwan, however, economic growth far exceeds the rate of population growth. These countires have experienced a dramatic increase in purchasing power.

Rapid population growth has mixed consequences. Some argue that rapid population growth is a stimulant for economic

THE CLIMBERS

growth; others see it as a deterrent. Nonetheless, rapidly growing populations lend urgency to the task of providing jobs and housing for large groups of young people entering their prime earning and spending years.

Many of these pressures are felt in expanding cities, which must make room for youthful job seekers in their formal labor forces, or relegate them to lower-paid jobs in the informal sector. They must also provide housing for newly forming families. Struggling cities include Brazil's São Paulo and Rio de Janeiro, Mexico's Mexico City, Peru's Lima, and India's Bombay and Calcutta. Many Climber countries are making concerted efforts to redistribute the population from one or two large cities into less populated areas. Investment outside the metropolitan areas is encouraged. Firms willing to locate in medium-sized cities may face better prospects for government approval.

THE ULTIMATE CONSUMERS

This cluster of countries is most familiar to North American, Japanese, and Western European consumer goods firms. The Ultimate Consumer countries constitute their primary market.

The combination of smaller families and higher incomes, resulting from two paychecks per family, gives Ultimate Consumers more discretionary income.

Thirty-three countries with a total population of nearly 1 billion people—one fifth of the world's population—fall in this cluster. Twenty-one of them are European countries, two are North American, four are Latin American, five are Asian, and one is Middle Eastern. No African country is included. Seven Eastern Bloc countries are included in this cluster because of their demographic characteristics, even though their market potential is limited to the West.

With reduced pressure to bear children as a means of old age security, labor force strength, or infant mortality insurance, Ultimate Consumer women rarely have more than two to three children in their lifetimes. Increased educational attainment and socioeconomic development encourage Ultimate Consumer women to participate in the workforce. The combination of smaller families and higher incomes, resulting from two paychecks per family, gives Ultimate Consumers more discretionary income.

Educational attainment is high. Almost all children attend school at least until they are 16 years old, and many further their education by attending college or a vocational/technical school.

Both men and women in the Ultimate Consumer countries commonly live to their early or mid-70s. Improvements in life expectancy in the next decade will be slight for this group compared to the strides that will be made in Climber countries.

Median age in Ultimate Consumer countries is above 30, and household formation years are at their peak. But by the mid-1990s, countries in this cluster will have strong middle age populations. Median age will rise to about 40 years, as elderly people represent an increasingly large proportion of the population.

Goods, services, and jobs are evenly distributed throughout Ultimate Consumer countries. Population shifts are moderate,

THE ULTIMATE CONSUMERS

and the size of cities and rural areas often seesaw from one census to another.

THE ROCKING CHAIRS

Rapid population aging is the specter haunting the four Rocking Chair countries—Denmark, West Germany, Sweden, and the United Kingdom. In all of these countries, the disproportionately large proportion of those over age 65 will become even more so in the near future. Such rapid aging will take its toll as shrinking numbers of workers will be forced to pick up the bill for increasing numbers of pensioners.

With only a total population of 131 million, or about 3 percent of the world's population, the Rocking Chairs might not seem worthy of so much attention. But because they are positioned at the crest of a very large wave soon to break—the aging of the rest of Europe and North America—these few countries serve as important examples of the methods by which a country handles the social tensions attending rapid population aging. In a sense, their actions will be harbingers of things to come.

The Rocking Chair countries are positioned at the crest of a very large wave soon to break—the aging of the rest of Europe and North America.

Women of the Rocking Chair countries have fewer than two children each. Couples are not even replacing themselves. Under these circumstances, population growth can only come through immigration—an unpopular though practical solution. The population of these countries will remain fairly stable or decrease slightly with fewer and fewer babies being born. As a result, the proportion of the elderly relative to the young will increase significantly.

As the more educated, more moneyed middle-aged people enter the ranks of the elderly, purchasing behavior of these mature households will change. Factors such as the methods of financing retirement, the need for sheltered housing, the costs of health care, and the level of government social security and support service expenditures need to be considered when looking at these markets.

THE ROCKING CHAIRS

THE DEPENDENTS

When looking at the four key demographic factors that help identify market potential, The Dependents fall behind other clusters.

Take Kenya, for example. The total fertility rate—or the average number of children a woman will bear in her lifetime—is well above 2.6 to 5 children per woman, the figure considered necessary to indicate that a country may be a good potential market. With the average woman bearing about eight children in her lifetime and with little prospect for change in the near future, the country shows small promise as a consumer market in this century. Just keeping up with the basic needs of a surging population will strain already limited resources. And Kenya's record-high population growth rate of about 4.2 percent per year is far above the 1.5 to 2.5 percent considered indicative of a good potential market.

Another important demographic factor in assessing market success is a country's pattern of urbanization—not only percent urban, but also the size of major cities and their distribution around the country. A country with good market potential has a city pattern similar to that of a large state in the U.S., with several large cities and many more intermediate-sized cities.

Kenya's urbanization pattern mirrors that of many other Dependent countries, with only one large city housing most of the country's urban population. Kenya's largest city, Nairobi, has approximately a million people: the second largest city houses only half as many people. Two other cities have more than 100,000 people, but most have 40,000 or fewer people. Fifty-seven percent of Kenya's urban population lives in Nairobi. And with insufficient industry to support the city, it lives off hinterland agriculture and foreign loans.

The status of women also tells a lot about whether a country has good market potential or not. With some exceptions, women in Dependent countries have little access to education and are not an integral part of the labor force except in rural areas where they work in agriculture. The economies of the Dependents are mainly agricultural, as compared with the largely industrial economies of the Climbers and the service economies of the Ultimate Consumers. Most of the Dependents are still struggling to become self-sufficient in food.

MEDIAN AGE LOWER THAN IN SEEKER NATIONS

Dependent countries usually have high infant mortality rates because sanitation is poor and a large percentage of rural inhabitants have little or no access to modern medical facilities or supplies. Women typically bear many children in an effort to secure their old age and increase the family labor force.

Because women bear many children to compensate for high infant mortality, the median age in Dependent nations is lower than in the Seeker and Climber nations. It is not unusual for nearly half the population of a Dependent nation to be under age 15, whereas many Seeker countries have a median age of 20 or 21, meaning that half of their populations are under that age.

TWO-THIRDS OF DEPENDENT NATIONS ARE AFRICAN

With high birth rates, only marginal lowering of fertility rates, and declining death rates, Dependent nations—most of which are located in Africa—have the demographic potential to explode. But all projections about Dependent nations need to be carefully considered in light of recent social, political, and economic trends in these countries. Projected increases for Dependent nations need to be tempered by realistic appraisals of how their populations are responding to demographic pressures. Africa's growth may well fall far below the projected mark as people are encouraged by official sources to practice family planning in response to ever-mounting demographic pressures and economies unable to cope with supporting their peoples.

Kenya

THE DEPENDENTS

Kenya's record-high population growth rate of about 4.2 percent per year places unrelenting demographic pressures on this Dependent nation. Its population of 23 million in 1988 is slated to nearly quadruple to 83 million by 2025. Reduced mortality rates and sustained high fertility rates (or the average number of lifetime births per woman) are the culprits. Kenyan women still average about 8 children each. By the time Kenya's population growth is expected to stabilize, the country will have almost six times its present population.

Kenya's population grew fully 41 percent between the censuses of 1969 and 1979, and its growth rate is increasing. The death rate dropped from 27 deaths per 1,000 in the early 1950s to 14 per 1,000 in the early 1980s, largely as a result of improved medical care. However, the average number of lifetime births per woman remained high, hovering around 8 births per woman during this entire period.

Such high fertility rates have resulted in an extremely youthful population. About 52 percent of Kenyans are under age 15. At present, the ratio of dependent children to producers is high. As these children become adults and move into their childbearing years, the population will grow at an even faster speed.

No relief is within sight. Fertility change has been negligible, even though the government has a family planning program. However, some change has been noted in the desired family size by ever-married women, which dropped by one child, from 7.2 children in 1978 to 6.2 children in 1984. Also, the percentage of currently married women using contraceptives went from 7 percent to 17 percent during the same period.

Experts foresee fertility dropping as women become better educated. This is an encouraging sign for Kenya—a country that has seen primary school enrollments jump from 50 percent to 95 percent for girls between 1970 and 1980. The Kenya Contraceptive Prevalence Survey of 1984 found that desired family size and fertility are lower and contraceptive use is higher among better educated women. Thirty-six percent of the surveyed Kenyan women who were married and who had nine or more years of schooling were currently using contraceptives, as compared to only 19 percent of their counterparts who had only 5 to 8 years of schooling.

> ***By the time Kenya's population growth is expected to stabilize, the country will have almost 6 times its present population.***

KENYA REMAINS LARGELY RURAL

About 85 percent of Kenyans live in rural areas. Urban areas are defined as those with more than 2,000 inhabitants. Because Kenya remains largely rural, traditional concepts of

*See the September 1982 issue of **International Demographics** for in-depth consumer information about Kenya. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

employment and labor force participation make no sense in analyzing this country.

About two-thirds of Kenya's population worked on farms in 1980. Only 12 percent of the population aged 15 and over, or about 1 million people, were employed in wage labor, as compared to only about 700,000 in 1971. One-quarter of all wage earners were employed in the agricultural and forestry industry in 1980, and almost half of those jobs were on coffee or tea plantations. Thirty-six percent of earners worked in community, social, and personal services, three-quarters of which were public sector jobs.

Manufacturing employed 14 percent of all earners in 1980. Construction, wholesale and retail trade, and transportation and communications each accounted for about 6 percent of employment. Mining, electricity and water, and financial services accounted for the remaining 5 percent of those employed in the wage-earning segment of the economy.

Construction, the fastest growing industry between 1975 and 1980, grew 51 percent. Financial services, including insurance, real estate, and business services, grew 48 percent; manufacturing grew 37 percent. Mining and quarrying were down, however, declining by 26 percent.

In 1979, Kenyans working in non-agricultural jobs earned an average of $159 a month; manufacturing, $148; mining and quarrying, $138; construction, $219; and agriculture (including wages and room and board), $56.

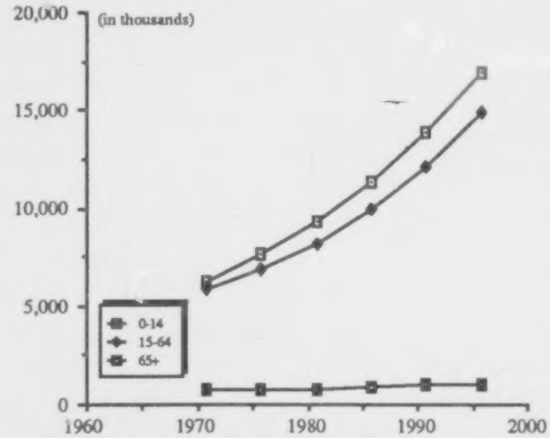
WHAT LIES AHEAD

Kenya is a country of great potential at the crossroads. In order to maintain the relative stability, freedom, and increasing prosperity that marked the country's post-independence experience under President Jomo Kenyatta the leadership must manage the economy with a delicate hand.

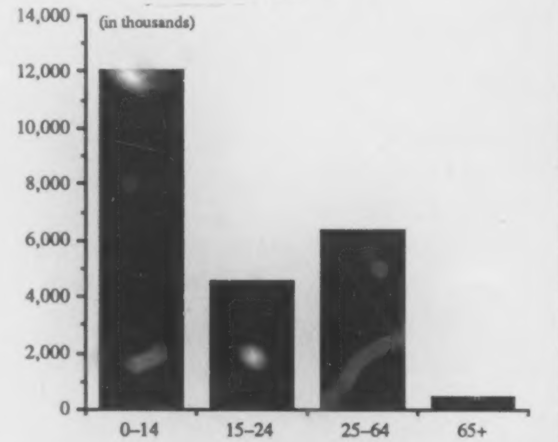
In the late 1970s, soaring world prices for tea and coffee—important Kenyan exports—made for an optimistic future. However, the more recent decline in prices has put Kenya in an awkward balance-of-payments position. Development plans made only a few years ago now appear financially unfeasible. The guidelines for the next five years—1983 to 1988—stress conservative fiscal policy and the need to live within constraints on foreign exchange and domestic resources.

The government is interested in improving agricultural production. It will emphasize technologies that increase the number of productive employment opportunities for unskilled labor while conserving capital, especially foreign exchange. Public works will emphasize local, small-scale projects. The private sector will most likely play a vigorous role in manufacturing and commercial activities. Demand for consumer goods will be strong, but foreign-exchange shortages may constrain imports.

Kenya: Population by age group, 1970–1995



Kenya: Population by age group, 1988



take a quick look at Kenya

POPULATION DATA FOR 1988

Total population | **23,342,000**
Rate of population growth, calendar year 1988 (percent) | **4.2**
Lifetime births per woman (total fertility rate) | **7.9**
Birth rate (births per 1,000) | **51.5**
Death rate (deaths per 1,000) | **9.3**
Population under 15 (percent) | **51.5**
Population aged 65 or over (percent) | **2.1**
Median age | **14.4**
Percent of all women in fertile age group (aged 15–49) | **41.4**
Population density (number of persons per square kilometer) | **40**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **58 / 63**
Infant mortality rate (number of deaths per 1,000 live births) | **72**
Population per physician/per nurse | **10,140 / 990**
Daily calorie supply per capita (calories per person per day) | **2,151**

Education

Percent literate (male/female, total percent) | **66 / 35, 50**
Enrollment in secondary education as percent of age group (male/female) | **22 / 16**
Enrollment in higher education as percent of population aged 20–24 | **1**

Labor force

Percent of labor force in agriculture/industry/services | **81 / 7 / 12**
Percent of population of working age (aged 15–64) | **46**
Age-dependency ratio | **116**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **NA**
Enrollment in secondary education as percent of age group | **16**
Percent of married women aged 15–49 using contraceptives | **17**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **15/85**

Population of major metropolitan areas

Nairobi | **1,104,000**

Mombasa | **426,000**

Average annual growth in urban areas, 1980–85 (percent) | **8.1**

Average annual growth in rural areas, 1980–85 (percent) | **3.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **290**

Unemployment (percent) | **6.5**

Pakistan

THE DEPENDENTS

On independence in 1947, Pakistan was home to 32 million people. By 1984, the population had tripled to 93 million, making Pakistan the world's ninth most populous country. Its 3 percent annual population growth rate placed it among the world's fastest growing countries.

Pakistan's 1988 population of 107.5 million people is expected to grow to 145.2 million by the year 2000, and 242.1 million by 2020, largely as a result of high fertility and declining mortality. The average Pakistani woman in 1988 will bear 6.6 children in her lifetime. This figure is projected to decline to about 5.7 lifetime births per woman by the year 2000 and to 4.2 lifetime births by 2020.

Pakistan belongs to the group of less-developed countries in which fertility will remain high up to the year 2000 and mortality will decline gradually, keeping the proportion of those aged 60 and over low during the whole period and the proportion of the young increasing up to the year 2000, after which it will slowly begin to shrink.

Pakistan's population is currently youthful. In 1987, 43 percent of the population was under age 15. Another 19 percent was between the ages of 15 and 24. Only 4 percent were aged 65 and over, as life expectancy is very low—55 years for men and 54 years for women. The proportion of youth aged under 15 will remain high past the year 2000, decreasing only slightly to 41.6 percent of the population in 1995 and 39.2 percent by the year 2000. The proportion of those 65 and over will remain relatively unchanged, hovering around 5.2 percent of the population past the year 2000.

RAPIDLY EXPANDING WORKFORCE

The rapid expansion of the workforce—from 10.4 million in 1951 to 28.6 million in 1986—mirrors the high population growth rate and reflects the tendency of school-age children to work. In 1985, an estimated 21 percent of all Pakistanis aged 10 to 14 and 40 percent of all Pakistanis aged 15 to 19 worked.

Pakistan's migrant worker remittances are bigger than the country's total merchandise exports.

Agriculture, including forestry and fishing, employs the vast majority of the country's labor force, although in increasingly smaller proportions. In 1983, about 55 percent of all workers were involved in agricultural activities compared to 57 percent in 1972. The proportion of the labor force in mining and manufacturing grew slowly from 12.9 percent in 1972 to 13.7 percent in 1983; the proportion in trade grew from 10 percent to 11 percent; the proportion in construction grew from 3.4 percent to 4.2 percent; and the proportion in public utilities grew slightly

See the July 1986 issue of International Demographics for in-depth consumer information about Pakistan. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

from 0.4 percent to 0.5 percent. Those working in the transport and communications sector remained at 4.7 percent, while the proportion of workers in other services declined from 11.2 to 10.3 percent.

The largest share of the Pakistani economy belongs to the service industries, accounting for 45.8 percent of the GDP in 1985. Although agriculture grew by a record 9.9 percent in 1985, its share of the GDP declined to 24.7 percent from 27 percent in 1983. Agriculture, the traditional foundation of the economy, is slowly giving way to manufacturing. Manufacturing gained the largest share of GDP, growing from 20.1 percent in 1983 to 21.1 percent in 1985.

PAKISTANI MIGRANT WORKERS BRING HOME OVER 40 PERCENT OF PAKISTAN'S FOREIGN EXCHANGE

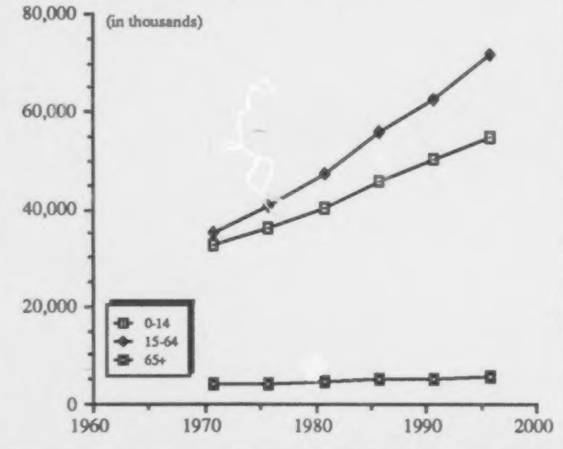
Pakistan's migrant worker remittances are bigger than the country's total merchandise exports. In 1985, workers sent home just less than $3 billion. Many Pakistanis have left Pakistan for the lucrative job market in the oil-rich Middle East. However, falling oil revenues are speeding the departure of migrants from the Persian Gulf and Saudi Arabia, and this flow of new migrants from Asia to the Middle East has been reduced. Many of those who remain have taken pay cuts.

PAKISTANI WOMEN NO BETTER OFF

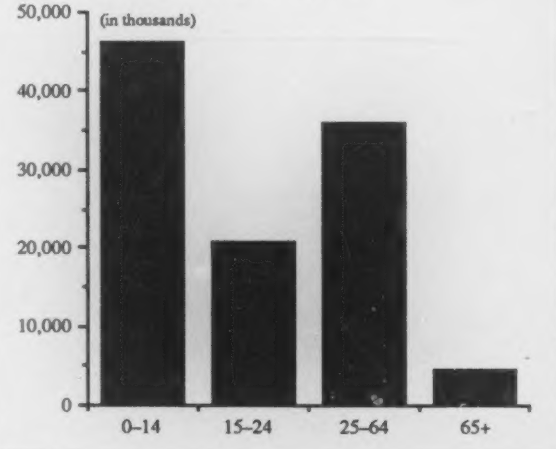
Pakistani women get less food, clothing, and care than their male counterparts. They even die younger. And, while the female proportion of workforces in most developing countries is increasing, the opposite is true for Pakistan. Women made up 8 percent of the workforce in 1977; today, they only account for 5 percent of the workforce.

Although some gains have been made in education—the percentage of literate women has doubled since 1947—large disparities between men's and women's educational attainments still exist. In all provinces, at all ages, women have lower literacy rates than men. In 1981, 86.3 percent of women aged 10 and over were illiterate, compared to 68.2 percent of men. And in 1985, only 8 percent of young women were enrolled in secondary school, as compared with 21 percent of young men.

Pakistan: Population by age group, 1970–1995



Pakistan: Population by age group, 1988



take a quick look at Pakistan

POPULATION DATA FOR 1988

Total population | **107,467,000**
Rate of population growth, calendar year 1988 (percent) | **2.7**
Lifetime births per woman (total fertility rate) | **6.6**
Birth rate (births per 1,000) | **43.2**
Death rate (deaths per 1,000) | **14.5**
Population under 15 (percent) | **43.1**
Population aged 65 or over (percent) | **4.0**
Median age | **18.3**
Percent of all women in fertile age group (aged 15–49) | **45.2**
Population density (number of persons per square kilometer) | **134**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **54 / 54**
Infant mortality rate (number of deaths per 1,000 live births) | **121**
Population per physician/per nurse | **2,328 / 5,739**
Daily calorie supply per capita (calories per person per day) | **2,159**

Education

Percent literate (male/female, total percent) | **35 / 15, 26**
Enrollment in secondary education as percent of age group (male/female) | **21 / 8**
Enrollment in higher education as percent of population aged 20–24 | **2**

Labor force

Percent of labor force in agriculture/industry/services | **55 / 16 / 30**
Percent of population of working age (aged 15–64) | **53**
Age-dependency ratio | **89**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **12**
Enrollment in secondary education as percent of age group | **8**
Percent of married women aged 15–49 using contraceptives | **9**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **29 / 71**
Population of major metropolitan areas
  Karachi | **6,351,000**
  Lahore | **3,603,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.3**
Average annual growth in rural areas, 1980–85 (percent) | **2.6**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **380**
Unemployment (percent) | **3.9**

Saudi Arabia

THE DEPENDENTS

Cuts in the price and production of oil since 1982 have signaled radical change in Saudi Arabia. Oil money, which is mostly controlled by the government, is no longer flowing like it did in the past. Jobs are less abundant and government subsidies are being cut. Those used secure incomes and cheap foreign labor support face a changing future.

Even foreign assets are not what they used to be. The International Monetary Fund estimated foreign holdings at $109 billion in February 1986, down from $141 billion in 1982. Further, at least $30 billion of such reserves are tied up in loans to Iraq and other neighboring states.

For the most part, while increasingly wealthy, Saudis have continued to live in the reserved style dictated by their religious and traditional culture. Some fear growing excesses of bored youth who might become increasingly prone to drink and take drugs, but outward signs of these behaviors on a massive scale are nonexistent. Saudi society is still very much an Islamic one.

POPULATION COUNT UNRELIABLE

Knowing exactly how many Saudis there are is not easy. Results of the last official census in 1974 are generally acknowledged to be unreliable. However, the U.S. Bureau of the Census's Center for International Research estimates that there are 15.5 million Saudis in 1988. Saudi women commonly bear 6 or 7 children in their lifetimes. Rapidly decreasing infant mortality rates—from 174 per 1,000 in the early 1960s to 86 per 1,000 in the 1980s—combined with sustained high fertility will lead to rapid population growth. By the year 2000, the population is expected to reach 18.8 million; by 2020, 24.7 million.

Saudi Arabia has a youthful population, and will have one into the twenty-first century. In 1987, 37 percent of the Saudi population were under age 15.

> ***Most educated Saudi women do not perceive themselves as second-class citizens even though they must wear a veil in public, dine in separate quarters, and are not permitted to drive.***

WOMEN UNDER SAUDI ARABIAN ISLAM

In Saudi Arabia, women cannot work alongside men. This effectively cuts their access to and participation in a range of jobs. Women do not go out except to visit friends and relatives and to shop. Once outside, they are covered from head to toe. Co-education is out of the question.

Most educated Saudi women, however, do not perceive themselves as second-class citizens even though they must wear a veil in public, dine in separate quarters, and are not permitted to drive. The opening of women's banks, operated by women for women, created controversy. They have received large numbers of applications from prospective

*See the May 1983 issue of **International Demographics** for in-depth consumer information about Saudi Arabia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

women employees. In Islam, a woman controls her own wealth, even after she is married. The introduction of these special banks permits Saudi women to fully exercise these rights.

YOUNG SAUDIS PREFER GOVERNMENT TO PRIVATE SECTOR JOBS

One Saudi joke gives an indication of Saudi attitudes toward work: "There are too many chiefs, so they have to import Indians."

Foreign observers and government officials alike are increasingly concerned about the reluctance of young Saudis to take up jobs as clerks, technicians, and laborers. Recently, migrant workers have been imported to perform these tasks. Youth in the newly-trained and well-educated Saudi workforce for the most part prefer government jobs rather than those in the private sector. In addition, the private sector often prefers outsiders with more experience.

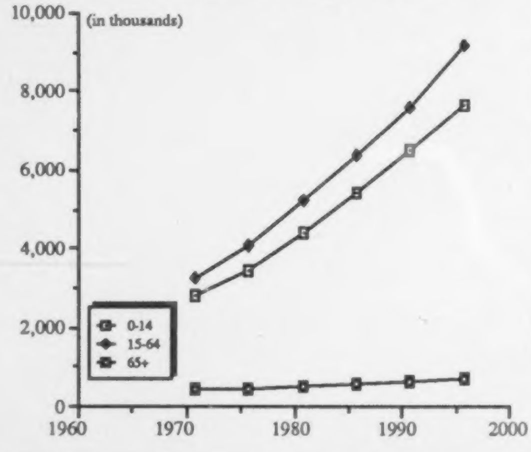
Attitudes on both sides of the fence add up to problems for a government attempting to replace imported workers with local residents.

VOCATIONAL TRAINING STRESSED TO ALLEVIATE DEPENDENCE ON FOREIGN LABOR

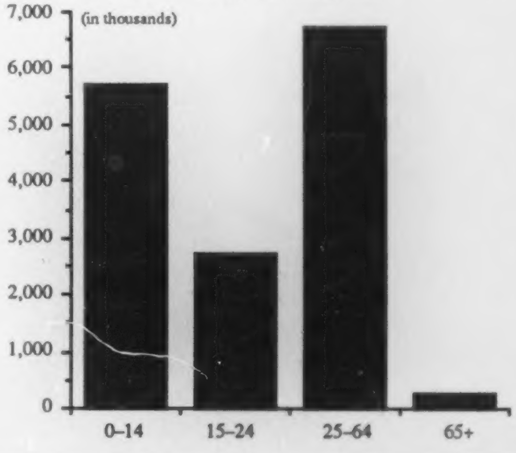
The Saudi government is making concerted efforts to equip the Kingdom with trained, indigenous manpower. They feel that such a force is required to run the huge industrial complexes under construction and to manage associated commercial ventures. The Saudi government is placing a high priority on vocational schooling and is planning to restrict the growth of universities as a means of boosting vocational expertise. It also offers a monthly stipend of $300 for students attending a university, plus an 80 percent food allowance and a 75 percent book allowance. Free accommodations are also provided for university students who come from outside the urban centers.

So far, Saudi efforts have been fruitful. Primary or basic educational institutions enrolled 325,000 boys and 537,000 girls between the ages of 5 and 9 in 1980. At the intermediate level, 165,000 boys and 80,000 girls were in school. The general, secondary education is a ten-year program culminating in a high-school diploma. In 1980, there were 65,000 boys and 29,000 girls enrolled. Two-to-four-year vocational institutes have 9,700 students attending special instruction in regular programs and 9,400 students in evening programs. Students in these programs learn to be air conditioning and car mechanics, carpenters, electricians, welders, metal workers, printers, bookbinders, and radio and television mechanics.

Saudi Arabia: Population by age group, 1970–1995



Saudi Arabia: Population by age group, 1988



take a quick look at Saudi Arabia

POPULATION DATA FOR 1988

Total population | **15,452,000**
Rate of population growth, calendar year 1988 (percent) | **4.3**
Lifetime births per woman (total fertility rate) | **6.9**
Birth rate (births per 1,000) | **38.2**
Death rate (deaths per 1,000) | **7.1**
Population under 15 (percent) | **37.0**
Population aged 65 or over (percent) | **1.9**
Median age | **22.4**
Percent of all women in fertile age group (aged 15–49) | **45.0**
Population density (number of persons per square kilometer) | **7**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **63 / 66**
Infant mortality rate (number of deaths per 1,000 live births) | **76**
Population per physician/per nurse | **2,646 / 852**
Daily calorie supply per capita (calories per person per day) | **3,128**

Education

Percent literate (male/female, total percent) | **47 / 20, 35**
Enrollment in secondary education as percent of age group (male/female) | **47 / 29**
Enrollment in higher education as percent of population aged 20–24 | **10**

Labor force

Percent of labor force in agriculture/industry/services | **48 / 14 / 37**
Percent of population of working age (aged 15–64) | **61**
Age-dependency ratio | **64**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **NA**
Enrollment in secondary education as percent of age group | **29**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **70 / 30**
Population of major metropolitan areas
Riyadh | **667,000**
Jeddah | **561,000**
Average annual growth in urban areas, 1980–85 (percent) | **6.1**
Average annual growth in rural areas, 1980–85 (percent) | **-0.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **8,850**
Unemployment (percent) | **NA**

THE SEEKERS

Seeker countries are still struggling to improve health and education, to slow population growth, and to upgrade the status of women. Many have made considerable progress in specific areas. The Seeker countries of India, Indonesia, and Malaysia, for example, in spite of extremely large populations and other immense difficulties, have achieved substantial progress in agriculture. India now exports grain, and Indonesia is self-sufficient in grain. Seeker countries have already succeeded in lowering their birth rates, although birth rates are still high in comparison to those of countries in other clusters. In all Seeker countries, birth rates are expected to continue their decline.

AFFLUENT AND SIZEABLE MIDDLE CLASSES DESPITE LOW GNP

Although GNP per capita for many Seeker countries is low, the sheer numbers of those falling into a modest middle class category make some of these nations good candidates as potential markets. India's middle-class citizens, who number approximately 50 million, for example, make up a market equal in size to the entire population of France or West Germany, although with different buying potential.

Purchasing power is rising slowly in the majority of Seeker countries. Vast differences exist, however, between the growing economies of Malaysia and Indonesia—in which GDP grew at 7.7 percent annually between 1970 and 1982—and stagnating economies, such as Egypt and Tunisia. But even Malaysia and Indonesia have experienced recent setbacks with GDP growth, which is projected to be flat for Indonesia and 1.8 percent in 1987 for Malaysia.

INDIA FORGES AHEAD

India has grown consistently, however, with GDP continuing to grow at about 4 percent annually in 1985 and 1986, with equal growth projected for 1987. Many analysts point to India's industrial sector as an indicator of India's burgeoning strength in the global marketplace. Analysts see India's GNP topping $500 billion by the turn of the century.

GRADUAL AGING AFTER THE YEAR 2000

The populations of Seeker countries are young and will remain so up to the turn of the century. After the year 2000, however, these countries are expected to begin aging gradually.

For most Seeker countries, both fertility and mortality rates began to decline in the 1950s and 1960s. Yet women of these countries still commonly bear five or six children in their lifetimes. Concerted efforts to reduce population growth, however, have been stepped up, and fertility rates are expected to fall significantly by the year 2000. The proportions of youth in these countries, therefore, will decrease gradually from about 40 percent of the total current population to around 23 to 25 percent by the year 2020. The more industrialized Singapore, by contrast, is projected to have about 16 percent of its population under age 15 by 2020.

Concurrently, the proportion of those aged 60 and over will remain low to the year 2000 and then increase slowly. By the year 2020, about 13 to 16 percent of most of these populations will be over 60. Japan, in comparison, is expected to have 26.5 percent of its population over 60 by 2020.

CONCERN OVER RAPID URBANIZATION

Urban populations of Seeker nations in general are growing substantially faster than the total population. Growth-related problems of such rapid urbanization are of major concern to policy planners. Yet the relationship between urban growth and overall development differs from country to country. Jakarta's growth, for example, is seen in a positive light as it releases population pressures on valuable farmland, while Calcutta's and Bombay's surging growth has no such redeeming quality.

To lessen the enormous demographic pressures on urban systems, many Seeker nations are attempting to encourage people to remain in rural areas and to increase agricultural production. Some even have made efforts to redistribute the urban populations of their one or two major cities to other urban or rural areas.

Egypt

THE SEEKERS

Economically, Egypt is in dire straits. Median income for the employed averages $285 a year. And falling oil prices are sending Egyptian migrant workers back home from the once-lucrative oil fields in the Persian Gulf and Saudi Arabia.The country carries a foreign debt amounting to $38.6 billion, of which they can neither repay the principal nor the interest. And the austerity policy recommended by the International Monetary Fund and the World Bank (which is necessary to win approval for a postponement of payments) has Egyptian leaders in a quandary. Fear of violent reaction from the increasingly powerful Islamic Fundamentalists has leaders reluctant to raise the prices of food, which is heavily subsidized. Leaders remember all too well the 1977 food riots which required armed intervention to control.

RAPID POPULATION GROWTH PRESSURES JOB MARKET AND HOUSING

Egypt's 1988 population of 53.3 million is expected to climb to 71.2 million by the year 2000 and 102.9 million by 2020. The number of lifetime births per Egyptian woman is still high—5.3 in 1988—although down from 6 births per woman in 1977. This trend is expected to continue with average lifetime births per woman dropping to 3.9 in the year 2000 and 2.5—just above replacement level—by 2020. The population growth rate of 2.7 percent in 1988 is expected to fall to 2.2 percent by the year 2000.These projections, however, do not account for the rising power of Islamic Fundamentalism in Egypt and its effect on reproductive behavior.

Egypt belongs to the group of countries in which fertility will remain high up to the year 2000 and mortality will decline gradually, in contrast to those countries where fertility and mortality both decline. The proportion of the population aged 65 and over will remain very low—hovering around 3.3 percent of the total population. Concurrently, the proportion of the young population, aged under 15, remains high—about 42 percent of the total population—and will begin to shrink around the year 2000. Egyptians aged 15 and under are projected to decrease to about 36 percent of the total population by the year 2000.

> ***In general, Egypt's labor force of 15 million is large and relatively skilled compared with those of other countries in the region.***

MIGRANT WORKERS' REMITTANCES SUPPLY FOREIGN EXCHANGE

Egypt's migrant workers' remittances are larger than total merchandise exports. Egypt gleans a reported $4 billion a year from its out-of-town laborers. This figure does not account for a sizeable amount of money smuggled into the country through black market channels.

About 3 million Egyptians migrate to other countries for work. They represent one-

See the August 1983 issue of International Demographics for in-depth consumer information about Egypt. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

sixth of Egypt's total work force. With migrant workers' salaries averaging $2,000 a year, they triple the earnings of an average Egyptian. Falling oil prices are sending many migrant workers home, however, as Middle Eastern economies contract. The Egyptian government estimates that about 600,000 migrants should come home in 1986.

In the face of lucrative offers from abroad, local managers were forced to raise wages significantly, making domestic industries less competitive. As offers from abroad diminish, wage increases may be less frequent. In general, Egypt's labor force of 15 million is large and relatively skilled compared with those of other countries in the region. About 12 million Egyptian men were at work in 1981, or 60 percent of all men. Approximately 46 percent of the labor force works in agriculture, 20 percent in industry and commerce, and 34 percent in services.

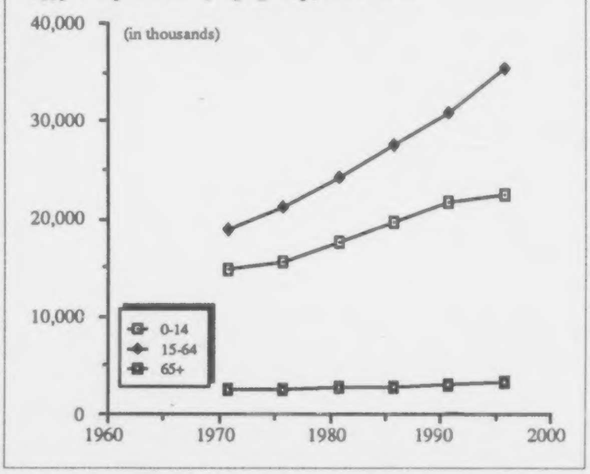
THE STATUS OF WOMEN

Egyptian women lag way behind their counterparts in Europe and the United States in employment, educational attainment, and family planning. Only 17 percent of Egyptian women aged 15 to 64 participated in the labor force in 1983. These figures compare with approximately 62 percent of women aged 15 to 64 participating in the U.S. labor force. However, although the labor force participation rate for women is very low, those Egyptian women who do work are making some gains in wages. In 1960, women workers in the manufacturing industry made only 51.6 percent of what men made. By 1980, this proportion increased to 63.1 percent.

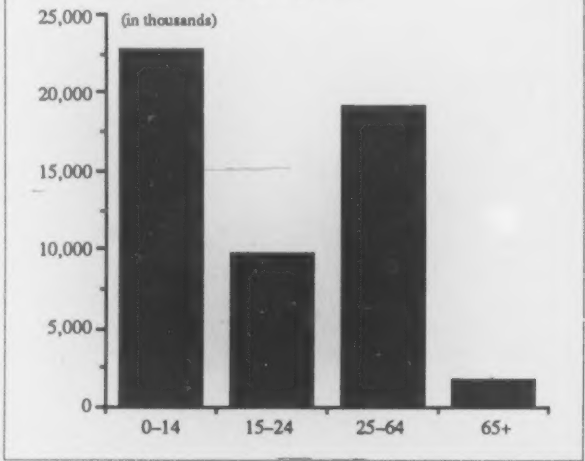
Educational attainment for women lags behind that of Egyptian men. Girls made up only 46 percent of preparatory students and 36 percent of secondary school students. This proportion drops to 30 percent for students enrolled in higher education.

Contraception is not heavily practiced in Egypt. In 1980, only 25 percent of currently married women aged 15 to 44 were using any method of contraception. Today, that figure has risen to 30 percent of married women aged 15 to 49.

Egypt: Population by age group, 1970–1995



Egypt: Population by age group, 1988



take a quick look at Egypt

POPULATION DATA FOR 1988

Total population | **53,348,000**
Rate of population growth, calendar year 1988 (percent) | **2.7**
Lifetime births per woman (total fertility rate) | **5.3**
Birth rate (births per 1,000) | **37.4**
Death rate (deaths per 1,000) | **10.4**
Population under 15 (percent) | **42.5**
Population aged 65 or over (percent) | **3.3**
Median age | **19.0**
Percent of all women in fertile age group (aged 15–49) | **45.7**
Population density (number of persons per square kilometer) | **53**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **59 / 60**
Infant mortality rate (number of deaths per 1,000 live births) | **96**
Population per physician/per nurse | **768 / 703**
Daily calorie supply per capita (calories per person per day) | **3,263**

Education

Percent literate (male/female, total percent) | **54 / 22, 38**
Enrollment in secondary education as percent of age group (male/female) | **70 / 46**
Enrollment in higher education as percent of population aged 20–24 | **21**

Labor force

Percent of labor force in agriculture/industry/services | **46 / 20 / 34**
Percent of population of working age (aged 15–64) | **54**
Age-dependency ratio | **85**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **17**
Enrollment in secondary education as percent of age group | **46**
Percent of married women aged 15–49 using contraceptives | **30**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **43 / 57**
Population of major metropolitan areas
Cairo | **8,595,000**
Alexandria | **2,660,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.2**
Average annual growth in rural areas, 1980–85 (percent) | **1.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **610**
Unemployment (percent) | **6.6**

5

India

THE SEEKERS

With the second largest population in the world, India is worth watching. Despite its reputation as an impoverished nation, India has a growing middle class. Part of India still lives in the age of the bullock cart, but according to many experts, India has been the development success of the 1970s. What's more, they are enthusiastic about its future. Self-sufficient in grain and 70 percent self-sufficient in oil, India sidesteps many of the problems plaguing other developing countries. Other positive indicators are India's talented business class and solid work force.

No doubt, however, India is still poor, with a per capita GNP of only $270 in 1985. But certain segments of the Indian population have gained modest prosperity. With nearly 55 million middle-class consumers, India's potential market, purely in terms of size, rivals that of West Germany and France. It is important to remember, however, that there are 30 to 50 million people who live in slums without basic facilities.

India's continued success depends largely on how well it can deal with unrelenting demographic pressures of enormous magnitude. Every year India adds another 16 million persons to its population. In 10 years, it added more people than currently live in Brazil. India is growing at about 2.0 percent per year. At this rate, India's 1988 population of 817 million will grow to 966 million by the year 2000 and 1.2 billion by 2020. Many experts predict that by 2020, India will leapfrog over China and become the world's most populous nation.

MEGACITIES IN TROUBLE

India is still basically an agrarian country with only 23 percent of its 1987 population living in urban areas. Urban areas, however, grew at a much faster rate than rural areas between 1980 and 1985—3.6 percent annually for urban areas, as opposed to 1.4 percent for rural areas. This compares to a 1.9 percent annual population growth rate during the same period.

> ***Every year India adds another 16 milion persons to its population. In 10 years, it added more people than currently live in Brazil.***

This trend is expected to continue as people born in India's high fertility period of 1961 to 1981 enter the job market and increasingly migrate to the cities to find work. These large groups of youth will put considerable strain on urban job markets and housing. Experts see India's entry into the twenty-first century as an era plagued by migration to urban areas. This problem will be a new one for India. Previous urban growth has occurred mostly through natural increase of city populations.

See the January 1987 issue of ***Consumer Markets Abroad*** *and*
the October 1983 issue of ***International Demographics*** *for in-depth consumer information about India.*
Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

By the year 2000, India is expected to have 20 cities of more than 1 million people and 4 megacities exceeding 10 million people. Between 350 and 400 million people will live in urban areas. Experts see dire troubles for cities like Bombay and Calcutta, with slum-dwellers accounting for 75 percent of their total populations.

FIVE MILLION INDIANS ENTER THE LABOR FORCE ANNUALLY

Finding jobs for the disproportionately large numbers of youth born before 1981 when India began to reduce its fertility rate will be an ongoing problem. At present, about 5 million people enter the workforce annually. By the year 2000, this figure will escalate to 7.5 million annually. Providing jobs for these people is an enormous task. Already 23 million Indians are registered as unemployed. Others are underemployed or employed in the informal sector. About 48 percent of India's population lives below poverty level as a result of these poor employment opportunities.

This problem won't go away. India will be a young country well into the twenty-first century. At present, nearly 37 percent of the population is estimated to be under age 15. Although this proportion is projected to drop to 32 percent by 2000, the share of youth in the population is still considerable.

LITERACY AMONG WOMEN HELPS REDUCE THE BIRTH RATE

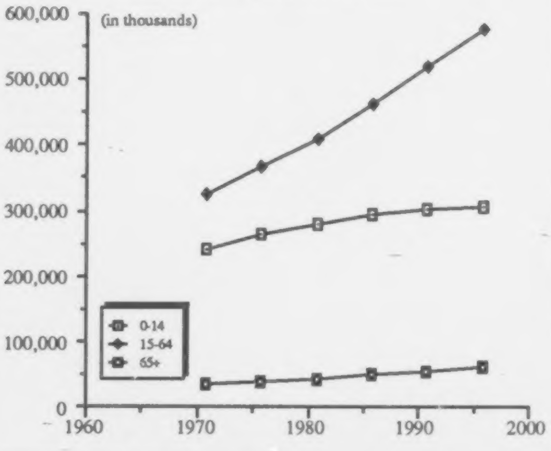
The survival of infants and increased literacy among women correlates with a higher degree of family planning and a decline in India's birth rate. Kerala State had the highest percentage of literate women in 1981—73 percent. It also had the lowest birth rate—25 per 1,000 as compared to India's overall 33.6 per 1,000. Infant mortality was 37 per 1,000 in this region, compared to India's average of 100 per 1,000.

TAXES AND RELIGION INFLUENCE BUYING HABITS

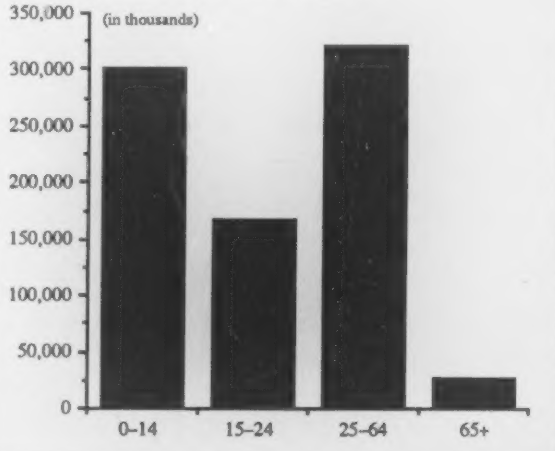
For those with disposable incomes, popular consumer items include footwear, pharmaceuticals, books, and a variety of foods. The demand for such luxury items as cars, cameras, air conditioners, and refrigerators has increased.

Taxes, however, strongly influence buying patterns. Consumer items are heavily taxed. Religion also plays an important part in Indian life, influencing decisions from the choice of food and dress to business and recreational activities.

India: Population by age group, 1970–1995



India: Population by age group, 1988



take a quick look at India

POPULATION DATA FOR 1988

Total population | **816,828,000**
Rate of population growth, calendar year 1988 (percent) | **2.0**
Lifetime births per woman (total fertility rate) | **4.0**
Birth rate (births per 1,000) | **31.2**
Death rate (deaths per 1,000) | **10.9**
Population under 15 (percent) | **36.9**
Population aged 65 or over (percent) | **3.4**
Median age | **21.2**
Percent of all women in fertile age group (aged 15–49) | **50.4**
Population density (number of persons per square kilometer) | **248**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **56 / 58**
Infant mortality rate (number of deaths per 1,000 live births) | **94**
Population per physician/per nurse | **2,588 / 4,670**
Daily calorie supply per capita (calories per person per day) | **2,189**

Education

Percent literate (male/female, total percent) | **55 / 26, 41**
Enrollment in secondary education as percent of age group (male/female) | **44 / 23**
Enrollment in higher education as percent of population aged 20–24 | **9**

Labor force

Percent of labor force in agriculture/industry/services | **70 / 13 / 17**
Percent of population of working age (aged 15–64) | **60**
Age-dependency ratio | **67**

STATUS OF WOMEN

Labor force participation rate (percent of women 15+ in the labor force) | **30**
Enrollment in secondary education as percent of age group | **23**
Percent of married women aged 15–49 using contraceptives | **32**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **23 / 77**

Population of major metropolitan areas

- Calcutta | **10,462,000**
- Bombay | **10,137,000**

Average annual growth in urban areas, 1980–85 (percent) | **3.6**

Average annual growth in rural areas, 1980–85 (percent) | **1.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **270**

Unemployment (percent) | **8.9**

Indonesia

THE SEEKERS

Few paid much attention to Indonesia's high-cost economy and monopolistic business practices when oil revenues were high. But now with sharp declines in oil revenues and the largest foreign debt in Asia, the Indonesian way of doing business is coming under increased scrutiny.

Foreign aid donors are pressing for economic reform, reform that would open the Indonesian economy to more international trade and begin chipping away at its entrenched system of business patronage. A more open economy would increase domestic competition, they argue, and thus generate more business activity, reduce prices, and increase employment. However, not only the willingness but also the ability of Indonesia's leadership to deal effectively with business monopolies has been called into question.

RAPID URBANIZATION IN A MAINLY AGRARIAN COUNTRY

Indonesia's population growth rate has increased over the last 20 years, with reductions in mortality outpacing declines in fertility during the 1950s and 1960s. During the 1970s, Indonesia's population grew at an average annual rate of 2.3 percent, up from 1.5 percent annually from 1930s through the 1960s. Population increased from 120 million in 1970 to its current estimated population of 184 million in 1988. Indonesia is now the world's fifth most populous country.

This growth, coupled with economic recovery that began in the late 1960s, led to rapid urbanization. During the 1970s, Indonesia's urban population grew at nearly 5 percent a year. Indonesia's urban growth rate exceeds that of India, Malaysia, and Egypt.

The urban share of Indonesia's population, however, is still relatively low. The 1950 urban population only accounted for 12.4 percent of the total population. It now accounts for about 22 percent of the total population.

> ***Indonesia now has 5 cities of more than 1 million inhabitants, and has thus avoided the hyper-urbanization trap of certain countries, such as Mexico and Thailand.***

Today, urban areas continue to grow by as much as 4.6 percent annually between 1980 and 1985. Rural areas only increased by 1.1 percent annually over the same period. This compares to a population growth rate of 2.0 for the entire country. By the year 2000, Indonesia's cities are projected to grow by almost 40 million people.

Indonesia now has 5 cities of more than 1 million inhabitants and thus has avoided the hyper-urbanization trap of countries such as Mexico and Thailand, in which one city is home to a quarter or a third of a country's population. Jakarta accounts for 19 percent of Indonesia's population.

Urban dwellers generally fare better than rural dwellers. In 1980, only 19 percent of urban residents were considered to be living in poverty, while 44 percent of rural residents

*See the January 1983 issue of **International Demographics** for in-depth consumer information about Indonesia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

fit in that category. Of all 15 to 19 years old in 1980, 53 percent were enrolled in secondary education, but only 25 percent of secondary school aged Indonesians living in rural areas were enrolled.

ONE IN THREE INDONESIANS UNDER AGE 15

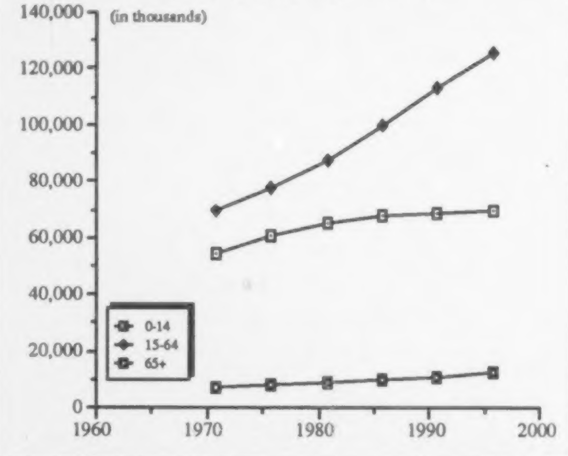
With life expectancy only 57 years for men and 60 years for women, Indonesia's population is extremely young. Approximately 38 percent of the population is under age 15. Another 34 percent are aged 15 to 34. Only 2.8 percent of the population is aged 65 or over.

LOW PER CAPITA GNP, LOW OWNERSHIP OF CONSUMER DURABLES

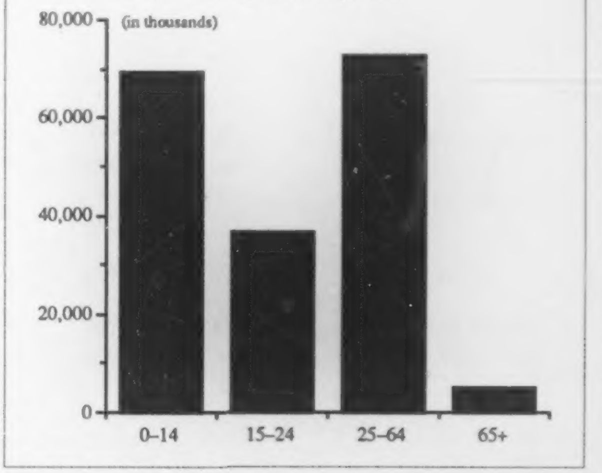
Indonesia's per capita GNP in 1987 amounted to $530. Great disparities exist between the poor and the rich, with the lowest 20 percent of households in 1976 only accounting for 6.6 percent of total household income and the highest 20 percent accounting for 49 percent of household income.

Only 10 percent of all households owned a TV in 1980, and 32 percent of urban households. Ownership of radios and cassette recorders was more widespread—forty percent of all households owned them. Over 10 million bicycles were in use during 1980; they were nearly equally owned by 30 percent of all urban and rural households. There were 2.3 million motorcyles in 1980, but only 577,000 registered passenger cars.

Indonesia: Population by age group, 1970–1995



Indonesia: Population by age group, 1988



take a quick look at Indonesia

POPULATION DATA FOR 1988

Total population | **184,016,000**
Rate of population growth, calendar year 1988 (percent) | **2.0**
Lifetime births per woman (total fertility rate) | **3.5**
Birth rate (births per 1,000) | **29.1**
Death rate (deaths per 1,000) | **9.3**
Population under 15 (percent) | **37.7**
Population aged 65 or over (percent) | **2.8**
Median age | **21.0**
Percent of all women in fertile age group (aged 15–49) | **50.6**
Population density (number of persons per square kilometer) | **91**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **57 / 60**
Infant mortality rate (number of deaths per 1,000 live births) | **83**
Population per physician/per nurse | **9,539 / 3,214**
Daily calorie supply per capita (calories per person per day) | **2,533**

Education

Percent literate (male/female, total percent) | **78 / 58, 67**
Enrollment in secondary education as percent of age group (male/female) | **45 / 34**
Enrollment in higher education as percent of population aged 20–24 | **7**

Labor force

Percent of labor force in agriculture/industry/services | **57 / 13 / 30**
Percent of population of working age (aged 15–64) | **60**
Age-dependency ratio | **68**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **45**
Enrollment in secondary education as percent of age group | **34**
Percent of married women aged 15–49 using contraceptives | **39**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **22/78**
Population of major metropolitan areas
    Jakarta | **8,122,000**
    Surabaya | **2,962,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.6**
Average annual growth in rural areas, 1980–85 (percent) | **1.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **530**
Unemployment (percent) | **1.7**

Malaysia

THE SEEKERS

Demographically speaking, Malaysian markets offer great potential. The population grew at 2.4 percent annually between 1973 and 1984. During the same period, Malaysia's urban population grew by 3.6 percent a year. As a result, the percentage of the population living in urban areas increased from 26 percent in 1965 to 43 percent in 1984.

Per capita GNP was about $2,000 in 1984. In Southeast Asia, only Singapore and oil-rich Brunei had higher per capita GNP levels. Indicators which show a rise in the status of women, such as increased educational attainment and labor force participation, are positive. Fifty-three percent of Malaysian women in the appropriate age group were enrolled in higher education in 1985. In that year, 44.7 percent of women over 15 were working or looking for work.

However, Malaysia's once thriving economy is slowing down as a result of the fall in world commodity prices. Malaysia is rich in raw materials, such as tin, rubber, oil, and palm oil. Belt-tightening is noticeable in Kuala Lumpur, although the capital is not yet experiencing open decline. Analysts see Malaysia's middle class facing the prospect of declining real income and fewer luxuries.

Malaysia's economic troubles will not work to improve the country's uneasy race relations. About half of the population is Malay (48 percent); Chinese (34 percent) and Indians (9 percent) comprise the bulk of the remaining population. Malays are privileged citizens, receiving job priority and other perks from the government. Four out of five university students are Malay.

POPULATION GROWTH RATE WILL CONTINUE TO FALL

Rapidly falling death rates after World War II combined with high fertility rates in the 1950s and 1960s led to rapid population increase. The 1950 population of about 6.3 million more than doubled to its current level of 16.4 million in only 35 years. Fertility fell steadily from a high of 6 or 7 lifetime births per woman in the 1950s and 1960s to 3 lifetime births per woman in 1987. Declining fertility rates of the 1970s and 1980s have slowed population growth from a high of 3 percent annually between 1960 and 1965 to 2.3 percent annually between 1980 and 1985.

> ***Malaysia's population is young and will remain so well into the twenty-first century, due to the disproportionately large numbers of youth (born during the high-fertility 1950s and 1960s) entering their childbearing ages.***

This trend is expected to continue with the growth rate down to about 1.5 percent by the year 2000. Lifetime births per woman are also expected to fall from the current 3.2 children per woman to the near-replacement figure of 2.4 lifetime births per woman.

Nevertheless, the Malaysian population will continue to experience rapid growth because fertility rates remain above replace-

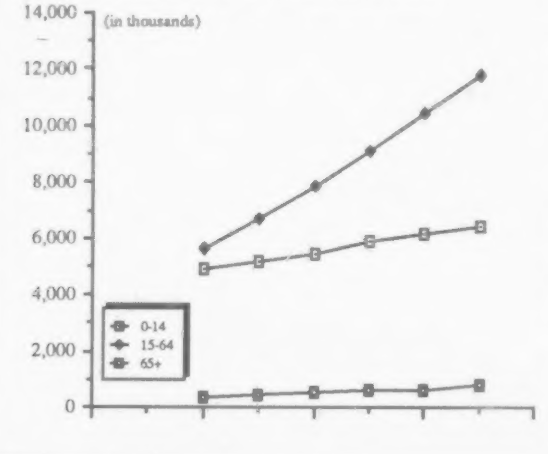
*See the Jauary 1985 issue of **International Demographics** for in-depth consumer information about Malaysia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

ment level (2.1) and because the large number of women born during the high-fertility 1950s and 1960s are currently entering their childbearing years. The proportion of women aged 15 to 29 grew from 26 percent of all women in 1970 to 30 percent in 1980. An increase in the proportion of women entering their childbearing years will continue for at least the next 15 years. Malaysia's 1988 population of 16.4 million is projected to grow to 20.6 million by the year 2000 and 26 million by the year 2020.

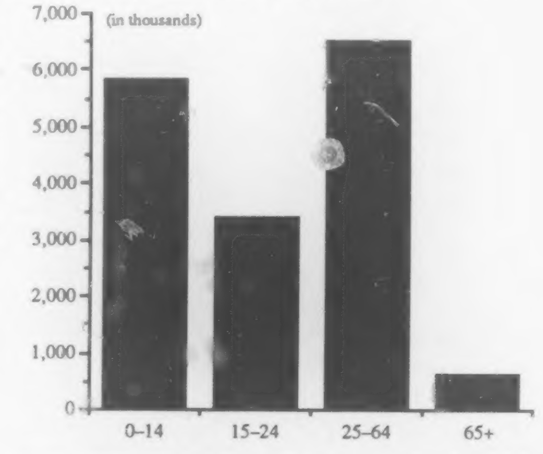
ONE OUT OF EVERY TWO MALAYSIANS IS UNDER 21

Malaysia's population is young and will remain so well into the twenty-first century. Those aged 15 to 24 now account for about 22 percent of the population—3.3 million people. This group will grow to 3.9 million by the year 2000 and 4.3 million by 2010.

The proportion of the population in their prime spending years (aged 15 to 64)—now 60.5 percent of the total population—is expected to increase dramatically, accounting for 65 percent of the population in the year 2000 and almost 70 percent by 2020. At present, more than half of all Malaysians are under the age of 21. About 36 percent are under the age of 15.



Malaysia: Population by age group, 1970–1995



Malaysia: Population by age group, 1988

take a quick look at Malaysia

POPULATION DATA FOR 1988

Total population | **16,398,000**
Rate of population growth, calendar year 1988 (percent) | **2.0**
Lifetime births per woman (total fertility rate) | **3.0**
Birth rate (births per 1,000) | **26.5**
Death rate (deaths per 1,000) | **6.5**
Population under 15 (percent) | **35.7**
Population aged 65 or over (percent) | **3.8**
Median age | **21.8**
Percent of all women in fertile age group (aged 15–49) | **52.5**
Population density (number of persons per square kilometer) | **49**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **64 / 70**
Infant mortality rate (number of deaths per 1,000 live births) | **32**
Population per physician/per nurse | **3,506 / 589**
Daily calorie supply per capita (calories per person per day) | **2,684**

Education

Percent literate (male/female, total percent) | **80 / 60, 70**
Enrollment in secondary education as percent of age group (male/female) | **53 / 53**
Enrollment in higher education as percent of population aged 20–24 | **6**

Labor force

Percent of labor force in agriculture/industry/services | **42 / 19 / 39**
Percent of population of working age (aged 15–64) | **60**
Age-dependency ratio | **65**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **41**
Enrollment in secondary education as percent of age group | **53**
Percent of married women aged 15–49 using contraceptives | **51**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **43 / 57**
Population of major metropolitan areas
Kuala Lumpur | **938,000**
Ipoh | **301,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.6**
Average annual growth in rural areas, 1980–85 (percent) | **1.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,000**
Unemployment (percent) | **5.9**

South Africa

THE SEEKERS

South Africa's social and political policies have recently prevented most businesspeople from engaging in any kind of economic relationship, and this situation will continue in 1988. White South Africans who control the majority of the country's personal wealth are in a difficult position. Some portion of their assets are usually tied up in real estate. Given the situation in South Africa, those assets are not liquid nor can they be made liquid. While residents of other countries with stable middle classes have taken care of their basic needs and seek experiences to fulfill their lives, South Africans have all the "experiences" they can handle at the moment.

REDISTRIBUTING THE INCOME

Reports show that since 1980 there has been some redistribution of disposable income in South Africa. The black, colored, and Asian share of total disposable income rose from 12.2 percent to 44.5 percent between 1972 and 1985, according to a Bureau of Market Research survey reported in African Business. Even if this shift in disposable income is true, non-whites make up 85 percent of the population in South Africa. The report also says that between 1981 and 1985, white incomes fell by 0.3 percent a year while the incomes of blacks and coloreds rose by 1.8 percent and those of Asians by 3.1 percent.

SEPARATISM CONTRIBUTES TO UNBALANCED POPULATION GROWTH

South Africa's annual population growth rate is high because of the disproportionately high birth rates for blacks and coloreds. The average white South African woman has two children; an Indian or colored woman has three; an urban black woman has four; and a black woman in the traditional states has between five and seven. Women in this last group bear as many children on average as women in other African nations, such as Kenya or Nigeria.

> ***The South African policy of separatism that relegates blacks to the "homelands" rather than allowing them to find opportunities in the cities contributes to the continued high level of population growth.***

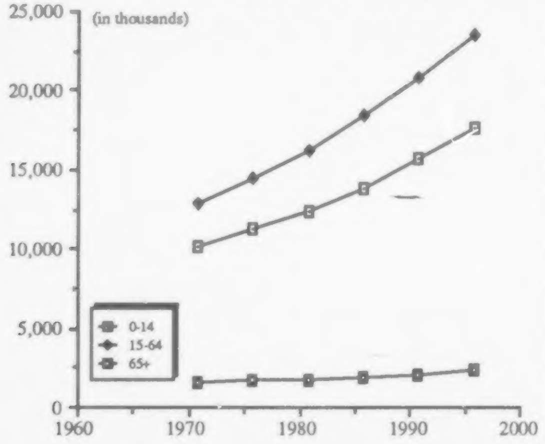
Demographers at the Institute for Sociological and Demographic Research say that the low level of urbanization among blacks—in other words, the South African policy of separatism that relegates blacks to the "homelands" rather than allowing them to find opportunities in the cities, contributes to the continued high level of population growth. They believe that if blacks were allowed to freely move to the cities, they would have access to the "technological revolution that has changed the lives of millions of people across the world."

The researchers indicate, "With regard to Blacks, their relatively youthful population structure and present high fertility indicate a capacity for continued very fast population growth. A sharp decline in the population growth rate could, however, be brought about by rapidly replacing the large traditional way of life of Blacks in the national states with a more modern industry-oriented urban lifestyle."

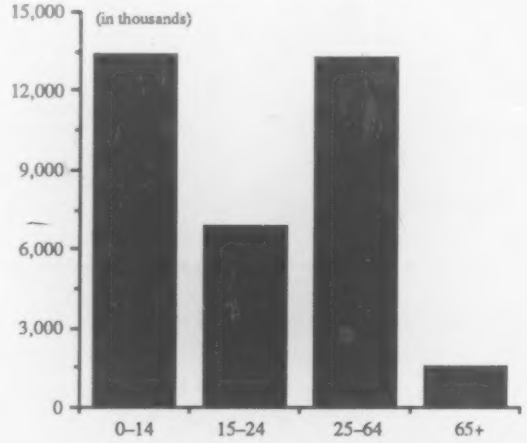
Not surprisingly, the conclusion drawn from an analysis of the demographic trends in South Africa is that unless non-whites are fully integrated into society, there will be no way to begin to eliminate the current socioeconomic discrepancies that are responsible for much of the turmoil in which the country finds itself.

If reforms allow blacks to become equal participants in the economic life of the nation, basic needs for housing and increased infrastructure would be filled rapidly. The capacity exists for economic activity to be rebuilt in such a way that mineral wealth and prime agricultural land benefit all people, rather than only the white minority. In that case, the country could make gigantic strides in ways that some other African countries have found difficult. In addition, the demographers indicate that if blacks are integrated into the economic mainstream as soon as possible, by the turn of the century, population growth among blacks would begin to slow.

South Africa is not a good market for consumer goods until its blacks and other nonwhites have access to economic opportunity.



South Africa: Population by age group, 1970–1995



South Africa: Population by age group, 1988

take a quick look at South Africa

POPULATION DATA FOR 1988

Total population	**35,094,000**
Rate of population growth, calendar year 1988 (percent)	**2.2**
Lifetime births per woman (total fertility rate)	**4.1**
Birth rate (births per 1,000)	**31.8**
Death rate (deaths per 1,000)	**9.4**
Population under 15 (percent)	**38.2**
Population aged 65 or over (percent)	**4.3**
Median age	**20.8**
Percent of all women in fertile age group (aged 15–49)	**49.2**
Population density (number of persons per square kilometer)	**29**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female)	**58 / 65**
Infant mortality rate (number of deaths per 1,000 live births)	**65**
Population per physician/per nurse	**1,884 / 396**
Daily calorie supply per capita (calories per person per day)	**2,979**

Education

Percent literate (male/female, total percent)	**61 / 59, 60**
Enrollment in secondary education as percent of age group (male/female)	**16 / 14**
Enrollment in higher education as percent of population aged 20–24	**4**

Labor force

Percent of labor force in agriculture/industry/services	**17 / 35 / 49**
Percent of population of working age (aged 15–64)	**58**
Age-dependency ratio	**74**

STATUS OF WOMEN

Labor force participation rate (percent of women 20–64 in the labor force)	**43**
Enrollment in secondary education as percent of age group	**14**
Percent of married women aged 15–49 using contraceptives	**48**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **56 / 44**
Population of major metropolitan areas
Johannesburg | **1,536,000**
Pretoria | **528,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.5**
Average annual growth in rural areas, 1980–85 (percent) | **1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,010**
Unemployment (percent) | **NA**

Sri Lanka

THE SEEKERS

Sri Lanka's population is growing despite continued falling birth rates. In 1986, Sri Lanka's rate of population growth was 1.4 percent, just below the 1.5 to 2.5 percent growth rate considered indicative of good market potential in 1988.

The 1981 census recorded 14.8 million persons, up from 12.7 million in 1971. The population grew by 17 percent during the decade between censuses. The Census Bureau's Center for International Research now estimates a population of 16.6 million. By the year 2000, the Sri Lankan population is projected to reach 27.8 million; by 2025, the population will reach 46 million—more than double its current level.

The number of children borne by women in their lifetimes, however, is dropping and is expected to continue doing so. In 1981, Sri Lankan women commonly bore 6.5 children in their lifetimes. By 1988, this figure is projected to fall to 2.6 children. Part of this large drop comes from a change in the method by which the Census Bureau recalculates Sri Lanka's fertility rate. However, although decreasing, these fertility rates remain high. It will take years for declining fertility rates to have a significant effect on population growth rates in this country.

Sri Lanka's population is young and will stay young well into the twenty-first century. At present, 33 percent of the population are under age 15. Median age is 23 years.

A RURAL BUT DENSE POPULATION

About 78 percent of Sri Lanka's population lived in rural areas in 1986. Although urban growth outpaces rural growth, Sri Lanka will remain largely rural throughout this century.

About 78 percent of Sri Lanka's population lived in rural areas in 1986. Although urban growth outpaces rural growth, Sri Lanka will remain largely rural throughout this century.

By the year 2000, about 75 percent of the population will reside in the countryside. This should drop, however, to 61 percent by the year 2020.

Sri Lanka is divided into 24 administrative districts. They range in size from 77,500 persons in the northeastern district of Mullaitivu to almost 1.7 million in the southwestern district of Colombo, home of the capital city, Colombo. In fact, with a population of 1.3 million in 1981, the capital city accounted for three-quarters of the population of the district. Other major cities are Jaffna (271,000), Kandy (147,000), and Galle (168,000).

In a country the size of West Virginia (66,000 square kilometers), population density is about 250 persons per square kilometer. Density is highest in the district of Colombo (1,000 to 3,000 persons per square

*See the February 1984 issue of **International Demographics** for in-depth consumer information about Sri Lanka. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

kilometer) and the neighboring coastal districts of Gampaha and Kalutara (500 to 1,000 persons per square kilometer). The central district of Kandy and the southern coastal district of Matara are in this density range as well, while all other districts average fewer than 500 persons per square kilometer.

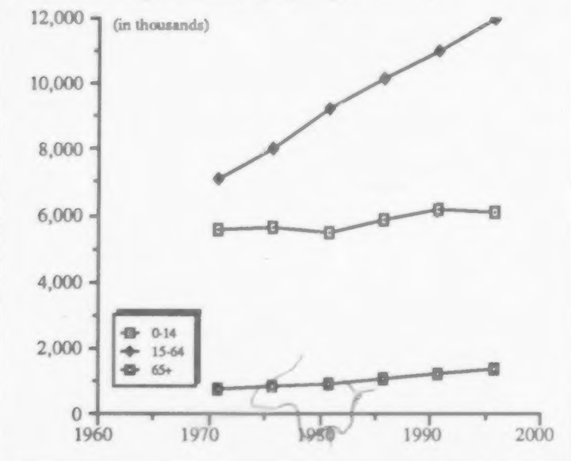
EXTENDED FAMILIES ARE THE NORM

Seventy percent of all Sri Lankan households in 1981 were extended beyond the nuclear family with a relative other than spouse or children. Fourteen percent of all households had a non-relative. Urban households were more likely to contain another relative than rural households. For example, among the 504,000 household heads recorded for urban areas, there were 538,000 relatives of heads living in households. In rural areas, only 64 percent of households contained relatives other than spouse or children.

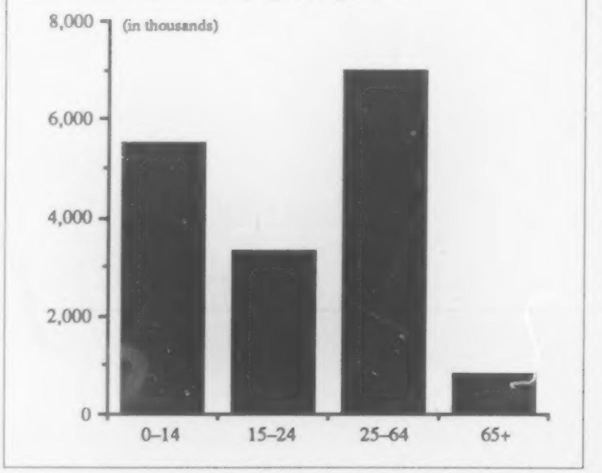
Of Sri Lanka's 2.7 million households in 1981, about 2.2 million households were classified as rural, or 82 percent of the total.

Sri Lankan households are large compared to those in other clusters. An average size was 5.4 persons per household in 1981. About 17 percent of all households were headed by women, half of whom were widowed.

Sri Lanka: Population by age group, 1970–1995



Sri Lanka: Population by age group, 1988



take a quick look at Sri Lanka

POPULATION DATA FOR 1988

Total population | **16,640,000**
Rate of population growth, calendar year 1988 (percent) | **1.4**
Lifetime births per woman (total fertility rate) | **2.6**
Birth rate (births per 1,000) | **22.4**
Death rate (deaths per 1,000) | **5.8**
Population under 15 (percent) | **33.1**
Population aged 65 or over (percent) | **4.9**
Median age | **23.5**
Percent of all women in fertile age group (aged 15–49) | **53.5**
Population density (number of persons per square kilometer) | **254**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68 / 73**
Infant mortality rate (number of deaths per 1,000 live births) | **28**
Population per physician/per nurse | **7,363 / 1,260**
Daily calorie supply per capita (calories per person per day) | **2,385**

Education

Percent literate (male/female, total percent) | **90 / 82, 86**
Enrollment in secondary education as percent of age group (male/female) | **58 / 64**
Enrollment in higher education as percent of population aged 20–24 | **4**

Labor force

Percent of labor force in agriculture/industry/services | **53 / 14 / 33**
Percent of population of working age (aged 15–64) | **62**
Age-dependency ratio | **61**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **28**
Enrollment in secondary education as percent of age group | **64**
Percent of married women aged 15–49 using contraceptives | **62**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **22 / 78**
Population of major metropolitan areas
    Colombo | **643,000**
    Dehiwala-Mount Larinia | **184,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.4**
Average annual growth in rural areas, 1980–85 (percent) | **1.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **380**
Unemployment (percent) | **13.5**

Tunisia

THE SEEKERS

Demographically, north and south of the Mediterranean can be worlds apart. Whereas most of the populations in Europe are either stagnating or even declining, the populations of Northern African countries are exploding. Tunisia's population is growing so rapidly that in the last 15 years, it has increased by 45 percent. With the number of births per woman projected to remain fairly high until the year 2000, and with a disproportionately large group of young Tunisians entering their childbearing years, this country's population will continue to grow rapidly.

Tunisia's 1988 population of 7.7 million people is projected to increase to 8.1 million in 1990 and to 9.9 million in the year 2000. Women commonly bear 4 or 5 children. Because of the government's family planning program, however, the number of births per woman is expected to decline to about 3.8 in 1990 and to about 3.0 in the year 2000. At these rates, the population will continue to grow, although growth will slow after the large population bases built up by periods of high fertility pass through their reproductive years.

YOUTH AND THE UNEMPLOYMENT PROBLEM

Unemployment is a problem in Tunisia, partly because of this country's extremely youthful age structure, in which almost 40 percent of the population are under age 15. Those aged 15 to 24 make up an additional 20 percent of the population. Because of the growing numbers of youth who are of employable age, more than 60,000 new workers enter the labor force each year, while only 40,000 new jobs are created.

The government officially recorded the unemployment rate as 13 percent in 1983. A more realistic figure for men aged 15 to 59 during this same year was closer to 18 percent. When women and the underemployed are included, one out of four workers is unemployed. To help alleviate this problem, Tunisians are encouraged to go abroad for employment. An estimated 70,000 laborers found work in Europe in 1984.

> ***Unemployment is a problem in Tunisia, partly because of this country's extremely youthful age structure, in which almost 40 percent of the population is under age 15.***

Women are entering the labor force in increasing numbers. Women made up only 11 percent of the workforce in 1975. In 1984, they held 20 percent of the available jobs. However, over 80 percent of employed women are in the lower third wage-earning bracket.

Most Tunisians work in agriculture, although a decreasing proportion of the workforce is required to farm the arable land. In 1960, agricultural production required the labors of over 50 percent of the workforce, compared with 35 percent in 1980. Industry used 36 percent of the workforce, and service industries used 29 percent.

*See the January 1986 issue of **International Demographics** for in-depth consumer information about Tunisia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

WOMEN HAMPERED BY TRADITION, NOT LAW

The situation has indeed changed for Tunisian women. They now are full citizens with the same legal rights and responsibilities as men. They are encouraged to attend school, hold jobs outside the home, and control their own financial affairs.

But old traditions die hard. Some gains have been made in employment, with fully 20 percent of the Tunisian labor force made up of women. However, women hold primarily low-wage positions. Educational attainment is also up, with girls accounting for 40 percent of all primary school students and 30 percent of all secondary school students.

RURAL-TO-URBAN SHIFT

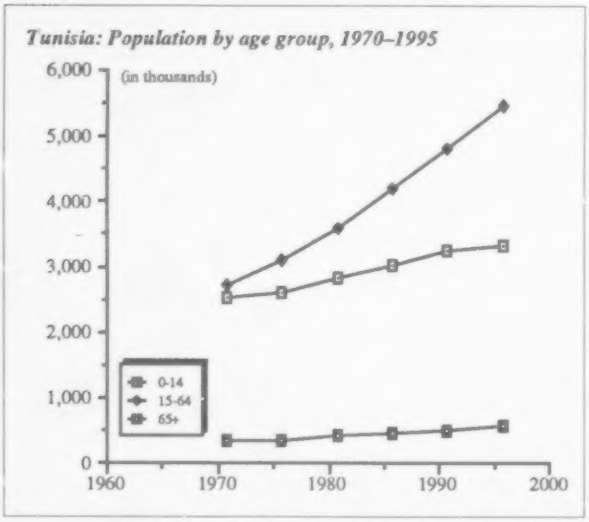
In 1950, 31 percent of Tunisia's population lived in cities, with 69 percent living in rural areas. By the year 2000, exactly the opposite will be true. Urban areas have been growing rapidly, spurred by the increasing numbers of job seekers moving to the densely populated cities.

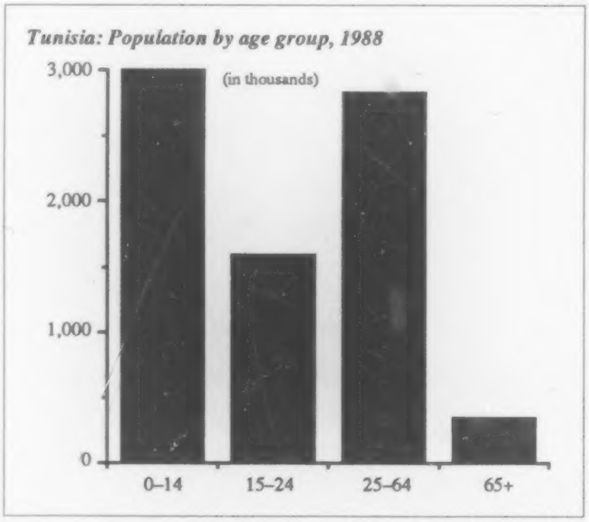
Growth in rural areas has been negligible since the early 1960s, while urban growth has averaged about 4 percent annually. Tunis, the capital city, had 597,000 residents at the time of the last census in 1984.

AN ECONOMY IN TROUBLE

One of Tunisia's greatest economic problems is its failing agricultural sector. Much of the food consumed by Tunisians is imported, contributing to a growing negative trade balance. Agricultural problems stem from adverse weather conditions and the small size of farms, which hinders the applicability of modern farming methods.

In 1983, olive oil production fell by 31 percent, grain by 28 percent, and citrus fruit by nearly 17 percent. Increased production of fruit, vegetables, and livestock offset other crop failures to produce growth of only 0.2 percent. The tourist industry, too, is in trouble. Terrorism and the 1984 bread riots led to an 8 percent decline in industry revenues. Although the government forecasts a turnaround, outside observers see either no growth or further decline in the near future.


Tunisia: Population by age group, 1970–1995


Tunisia: Population by age group, 1988

take a quick look at Tunisia

POPULATION DATA FOR 1988

Total population | **7,738,000**
Rate of population growth, calendar year 1988 (percent) | **2.3**
Lifetime births per woman (total fertility rate) | **4.1**
Birth rate (births per 1,000) | **29.3**
Death rate (deaths per 1,000) | **6.4**
Population under 15 (percent) | **38.7**
Population aged 65 or over (percent) | **4.4**
Median age | **20.2**
Percent of all women in fertile age group (aged 15–49) | **48.5**
Population density (number of persons per square kilometer) | **47**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **67 / 71**
Infant mortality rate (number of deaths per 1,000 live births) | **46**
Population per physician/per nurse | **3,683 / 758**
Daily calorie supply per capita (calories per person per day) | **2,836**

Education

Percent literate (male/female, total percent) | **65 / 42, 54**
Enrollment in secondary education as percent of age group (male/female) | **42 / 30**
Enrollment in higher education as percent of population aged 20–24 | **6**

Labor force

Percent of labor force in agriculture/industry/services | **35 / 36 / 29**
Percent of population of working age (aged 15–64) | **57**
Age-dependency ratio | **76**

STATUS OF WOMEN

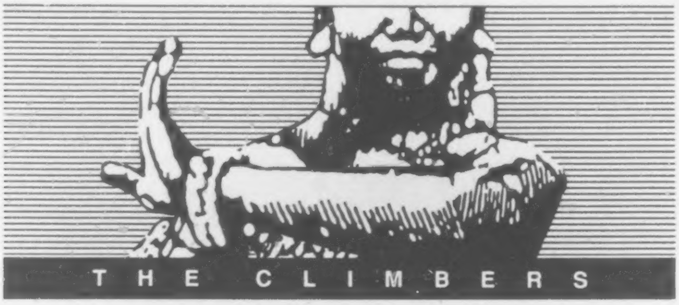
Labor force participation rate (percent of women 15–64 in the labor force) | **23**
Enrollment in secondary education as percent of age group | **30**
Percent of married women aged 15–49 using contraceptives | **41**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **53 / 47**
Population of major metropolitan areas
    Tunis | **597,000**
    Sfax | **232,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.7**
Average annual growth in rural areas, 1980–85 (percent) | **0.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,190**
Unemployment (percent) | **13.0**



THE CLIMBERS

The Climbers are making everyone nervous. For Asia watchers, Climbers Taiwan and South Korea exemplify the amazing growth of Newly Industrialized Countries (NICs). Their mentor, Japan—no longer a Climber but a full-fledged Ultimate Consumer—boasts an average income that, by some estimates, surpasses average income in the U.S. What Japan did, these Climbers hope to do. Brazil is also moving ahead full force. Some say the twenty-first century will belong to this Latin American giant.

But all the Climbers are not growing at the same rate, especially when it comes to overall standard of living and consumer purchasing power. Although GDP growth rates for most Asian Climber countries surpass those of the U.S. and other industrialized nations, debt-saddled Latin American Climbers are still having a hard time. GDP in China grew at 5.6 percent annually between 1970 and 1982, registered a surging 9 percent growth in 1983 and an amazing 12 percent in 1984. In South Korea, GDP grew at an annual rate of 8.6 percent between 1970 and 1982, in the Philippines by 6 percent, in Taiwan by 8 percent, and in Thailand 7.1 percent during the same period.

THE RIGHT DEMOGRAPHIC MAKE-UP

Economics aside, the Climbers have demographic makeups which suggest expanding potential markets. The status of women is improving through increased participation in the labor force and rising levels of education. These populations are youthful, creating a lively labor pool and a ready consumer group, despite declining population growth rates and declining average number of lifetime births per woman. These young adult populations, which are growing rapidly as a result of high fertility in the past, will continue to grow well into the next century. Several cities are active and growing, as opposed to countries with just one enormous megacity. Thus the pressures of urban growth—especially those caused by rural-to-urban migration—can be shared. Many Latin American Climbers, however, such as Peru, Mexico, and Venezuela, face increasingly persistent population pressures on their largest cities.

These four positive demographic indicators point to a potential increase in consumer demand. Rapid population growth in Climber countries has the potential of creating a new, more affluent market and a huge labor force. Purchasing power in these countries is on the rise. Markets will expand as growth in incomes and populations continues.

The predominance of youth in Climber countries creates a growing demand for goods and services, education, and employment. The rural-urban shift offers tremendous opportunities for business in the areas of construction, sanitation, power, telecommunications, and transport, according to UNFPA Executive Director Rafael M. Salas.

As scattered rural markets concentrate into centralized urban markets, new consumer groups will emerge. Asian countries such as the Philippines, which was 37.4 percent urban in 1980, will be about 66 percent urban by 2025. Latin American countries such as Brazil will see urban population climb from 67.5 percent in 1980 to nearly 90 percent by 2025.

Women in Climber countries are on the way up. Labor force participation rates for 1982 South Korea (42 percent), Taiwan (40 percent), China (74 percent) and Thailand (65 percent) compare favorably with West Germany (39 percent) and the U.S. (53 percent). Lower birth rates provide women increased opportunities for self-determination and for personal development and achievement.

POPULATION GROWTH WILL DECLINE AS FERTILITY FALLS

Population growth rates have begun to decline in the Climber countries. The average number of lifetime births per woman have fallen by a quarter or more over the past decade in such populous Latin American and Asian countries as Brazil, Mexico, and Thailand. These countries, however, have a long way to go before births and deaths are in balance and populations stabilize.

Some, like China, South Korea, and Taiwan, have nearly reached replacement level of 2.1 lifetime births per woman, which means that their populations will eventually stop growing and stabilize. (Allowing for some childhood deaths, 2.1 children per couple allows a population to just reproduce itself.) In China, although fertility rates are down to replacement level, the large number of women born in past high-fertility years (270 million) have entered their childbearing years. Consequently, they will add a sizeable number of children to the population.

ECONOMIC GROWTH MUST KEEP PACE WITH POPULATION GROWTH

Continued economic success is all important to still-growing populations of most Climber countries. The decline in population growth will not take the pressure off most of these countries until the beginning of the next century at the earliest. Large numbers will be added before their populations stabilize even after they attain replacement-level fertility because of momentum from their large and youthful population bases. This is especially true for the economically troubled countries in Latin America, such as Mexico and Peru. Even economic heavyweights such as Brazil and Venezuela will have to grow at a rapid pace just to tread water.

THE SIZEABLE AND AFFLUENT MIDDLE CLASSES

Many Climber countries already have a relatively affluent and sizeable class of consumers. In countries such as Korea and Taiwan, economic growth is keeping pace or exceeding the rate of population growth, resulting in rising purchasing power.

The distribution of new wealth in Climber countries shapes potential markets. Currently, markets in these countries are typically not homogeneous. Latin American countries in particular have not created jobs as fast as job-seekers have arrived in cities, leading to large differentials in the income of those who work in the formal sector and the informal sector. These income disparities are less acute in most of the Asian countries.

▮

Brazil

THE CLIMBERS

Demographically, Brazil seems poised for market growth in the future. Predominately young and still growing, Brazil is characterized by a rise in purchasing power. Women figure prominently in this change, having benefited from increased educational attainment and labor force participation. And, although largely urbanized, Brazil was able to avoid hyperurbanization, in which one-fourth to one-third of a country's population live in a single city. With 10 cities of more than 1 million people, Brazil has been able to lessen the difficulties of providing jobs and urban services, while concentrating consumer demand in centralized regional urban markets.

STILL GROWING, BUT MORE SLOWLY

Brazil experienced rapid population growth after 1950, as mortality declined and fertility remained high. Death rates declined rapidly during the 1950s because of public health measures and the prevention or treatment of infectious diseases. Prior to 1965, a Brazilian woman would bear six children on average. Growth slowed in the 1970s and 1980s, after the average number of lifetime births per woman began to fall with the help of socioeconomic development and family planning efforts. By 1980, the average number of lifetime births per woman had fallen to 3.8, down from an average of 6.2 children in the 1950s and 1960s. Brazil's annual average population growth rate, which had been 2.33 percent during the 1930s and 1940s, jumped to 3.04 percent between 1950 and 1965 and then declined to 2.4 percent between 1965 and 1985.

Despite Brazil's substantial decline in fertility, its population will continue to grow as a result of the demographic momentum of a large and youthful population base and the still high fertility level of 3.9 children per woman. Brazil has an extremely large proportion of young people in or about to enter the childbearing ages due to past high fertility. Brazil's population is estimated to grow from 151 million in 1988 to 246 million in 2025—an increase of about 100 million people in 40 years.

> ***With 10 cities of more than 1 million people, Brazil has been able to lessen the difficulties of providing jobs and urban services, while concentrating consumer demand in centralized regional markets.***

Maintaining or improving per capita income for the Brazilian people in light of these numbers is a major task. To maintain per capita income, economic growth must at least equal population growth. Brazil maintained high rates of economic growth, even with high population growth, until the early 1980s. Unequal distribution of income, however, is an ongoing problem. Parts of the

*See the July 1987 issue of **Consumer Markets Abroad** and the May 1982 issue of **International Demographics** for in-depth consumer information about Brazil. Back issues are $16 each and are available by calling toll free, 800-828- 133; in New York call 800-462-8686.*

northeast are as poor as West Africa; parts of the south are as affluent as Spain or Italy.

YOUNG AND ACTIVE CONSUMERS

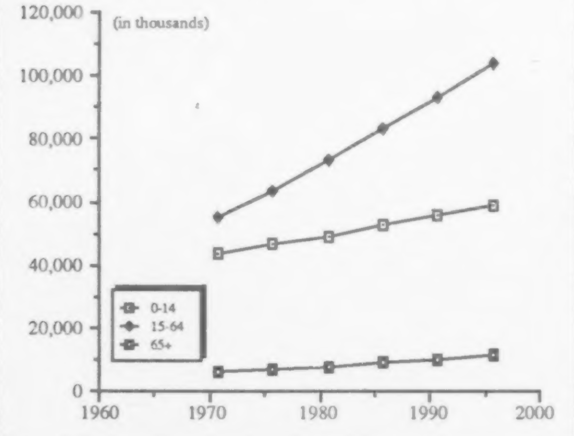
Brazil's younger population, those aged 15 to 24, is beginning to make an impact on consumer markets. The disproportionate number of babies born between 1960 and 1980 are entering the job market now. They will continue to do so for the remainder of the 1980s and throughout the 1990s, placing increased pressure on urban job markets and housing for new families, while driving up the market for consumer durables. About 27.5 million, or almost 20 percent of Brazil's 150 million people, fall in this category.

How these new households consume can be in part predicted by previous household consumption patterns of Brazilian families. Low-income Brazilians spend a large proportion of their household budget on food—as much as 45 percent of their total expenditure in urban families. Even so, over one-third of poor urban families owned TVs as early as 1975. Of all urban households in 1980, about three-quarters owned radios, refrigerators, and TVs. Thirty percent owned cars.

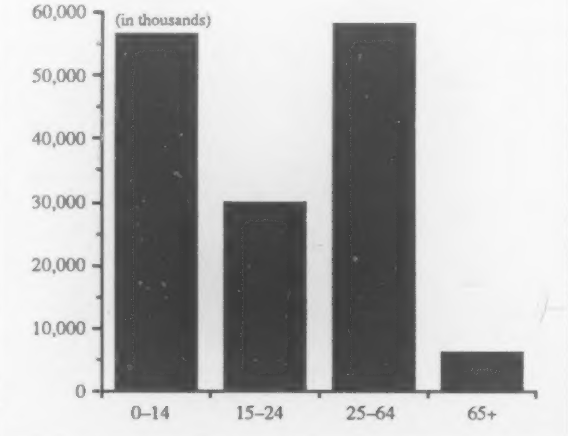
THE RICH AND THE POOR

Brazil's 50 million haves amid 90 million have-nots make up a developed country inside a vast undeveloped one. Two-thirds of all Brazilian households have family incomes of less than $2,200 a year.

Brazil: Population by age group, 1975–1990



Brazil: Population by age group, 198



take a quick look at Brazil

POPULATION DATA FOR 1988

Total population | **150,685,000**
Rate of population growth, calendar year 1988 (percent) | **2.4**
Lifetime births per woman (total fertility rate) | **3.9**
Birth rate (births per 1,000) | **30.6**
Death rate (deaths per 1,000) | **6.7**
Population under 15 (percent) | **37.6**
Population aged 65 or over (percent) | **4.0**
Median age | **21.1**
Percent of all women in fertile age group (aged 15–49) | **49.9**
Population density (number of persons per square kilometer) | **18**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **65 / 69**
Infant mortality rate (number of deaths per 1,000 live births) | **60**
Population per physician/per nurse | **1,300 / 1,140**
Daily calorie supply per capita (calories per person per day) | **2,633**

Education

Percent literate (male/female, total percent) | **76 / 73, 74**
Enrollment in secondary education as percent of age group (male/female) | **31 / 36**
Enrollment in higher education as percent of population aged 20–24 | **11**

Labor force

Percent of labor force in agriculture/industry/services | **31 / 27 / 42**
Percent of population of working age (aged 15–64) | **58**
Age-dependency ratio | **71**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–69 in the labor force) | **31**
Enrollment in secondary education as percent of age group | **36**
Percent of married women aged 15–49 using contraceptives | **65**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **68 / 32**
Population of major metropolitan areas
    Sao Paulo | **14,911,000**
    Rio de Janeiro | **10,116,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.1**
Average annual growth in rural areas, 1980–85 (percent) | **-0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,640**
Unemployment (percent) | **4.3**

China

THE CLIMBERS

Astronomical numbers describe China. The world's only demographic billionaire, China now boasts 21 percent of the world's population. In all this talk about billions, however, it's easy to forget how poor China actually is, with an average per capita income of about $310. Yet the Chinese economy is booming, and Asia's population billionaire is now being hailed as the development success of the 1980s.

POPULATION WILL GROW, THEN STABILIZE

Gone are the days when Mao's belief that "people are China's greatest resource" led women to bear five or six children in their lifetimes. With fertility down to replacement level—2.1 in 1984—China's population is expected to stabilize in the coming years.

With 1.09 billion people in 1988, this is good news for the world's most populous country. Despite its declining birth rate, China will experience large population increases until large numbers of women of childbearing age pass beyond their reproductive years.

If China's 270 million women of childbearing age each gave birth to two children, China would add half a billion people to its 1 billion early in the twenty-first century. Consequently, the Chinese government introduced a One-Child Policy in 1979. Even with its One-Child Policy, China's population is expected to grow 51 percent from 1985 to 1995, from 1.04 billion to 1.57 billion, and then finally to stabilize early in the twenty-first century.

ECONOMIC GROWTH RIVALS POPULATION GROWTH

China's post-Mao reform program has enlivened the Chinese economy. In the short time since Nixon visited China in 1973, trade has gone from zero to $8 billion a year. U.S. investment has gone from nothing to $1.5 billion. GNP per capita has grown by an average of 4.5 percent annually during the period from 1965 to 1984.

> ***Income and expenditure trend information is especially essential for business people investing in Chinese joint ventures that produce consumer goods.***

China began its extraordinary economic growth just eight years ago when Deng Xiaoping introduced the first of his economic reforms. Industrial production has more than doubled in the last ten years—and so has the production of such capital goods as machine tools, steel, power equipment, and trucks. Energy output is also way up. In trade, the value of exports has gone from less than $10 billion in 1976 to $27.3 billion in 1985, while the value of imports has quadrupled from less than $10 billion to $42.5 billion during the

See the March 1987 issue of ***Consumer Markets Abroad*** *and*
the October 1984 issue of ***International Demographics*** *for in-depth consumer information about China.*
Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

same time period. Grain production has risen from about 283 million metric tons in 1976 to 478 million in 1984.

POST-1978 REFORMS BOOST LIVING STANDARDS

Boom times mean rising living standards for the average Chinese—better housing and the availability of more consumer goods. Wages and prices are rising in the wake of economic reforms that unleashed a wave of entrepreneurialism and heightened production.

Nominal per capita urban incomes rose from 316 yuan in 1978 to 608 yuan in 1984, increasing by 7.4 percent annually during the same period. Rural incomes grew even faster, spurred largely by sideline production, rather than collective activities. By 1984 average net per capita income for peasants was 355 yuan, two and a half times its 1978 level.

Decollectivization, higher agricultural procurement prices, and implementation of the household responsibility system have combined to narrow the gap between urban and rural income. Real per capita income for rural peasants rose 14.7 percent between 1978 and 1983, almost twice as fast as income for their urban counterparts, which increased by 7.4 percent annually during the same period.

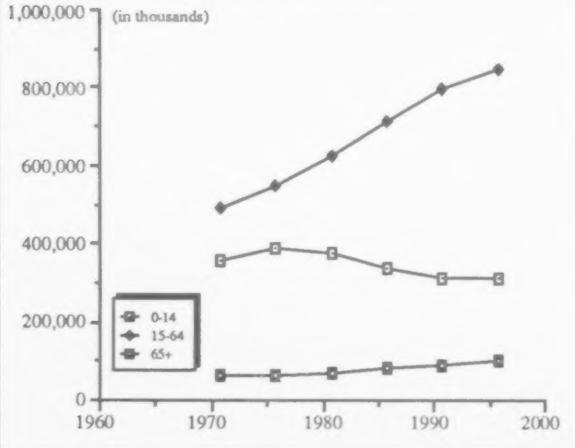
Both urban and rural income distribution shifted with impressive gains in the numbers of prosperous households. By 1984, 49 percent of urban worker and staff households had annual incomes of over 600 yuan, in contrast to only 18 percent in 1981. A similar shift occurred in the countryside. In 1983, 46 percent of peasant households earned annual incomes of 300 yuan and over, in contrast to only 7 percent of rural households in 1979.

LIMITED MARKET FOR CONSUMER GOODS AT PRESENT

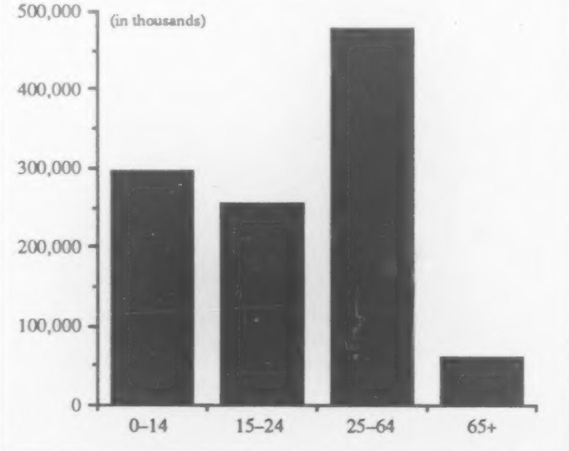
The realities of China's current consumer-goods market trail behind what many see as its large potential. Producer goods have made up 79 percent of all Chinese imports in recent years.

However, private consumption makes up 70 percent of all final demand in China, according to Jeffrey R. Taylor and Karen A. Hardee, authors of *Consumer Demand in China: A Statistical Factbook.* "The market for exports of consumer goods is clearly very limited now. Those who try to sell such commodities directly to China may well be frustrated. Still, an understanding of consumer income and expenditure trends for the country is essential to a successful marketing strategy for China, since consumer demand is the driving force behind demand for all commodities—including producer goods." Income and expenditure trend information is especially essential for business people investing in Chinese joint ventures that produce consumer goods.

China: Population by age group, 1970–1995



China: Population by age group, 1988



take a quick look at China

POPULATION DATA FOR 1988

Total population | **1,088,169,000**
Rate of population growth, calendar year 1988 (percent) | **1.3**
Lifetime births per woman (total fertility rate) | **2.2**
Birth rate (births per 1,000) | **19.4**
Death rate (deaths per 1,000) | **6.8**
Population under 15 (percent) | **27.3**
Population aged 65 or over (percent) | **5.5**
Median age | **24.7**
Percent of all women in fertile age group (aged 15–49) | **56.0**
Population density (number of persons per square kilometer) | **113**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68 / 70**
Infant mortality rate (number of deaths per 1,000 live births) | **35**
Population per physician/per nurse | **1,730 / 1,670**
Daily calorie supply per capita (calories per person per day) | **2,602**

Education

Percent literate (male/female, total percent) | **79 / 51, 66**
Enrollment in secondary education as percent of age group (male/female) | **43 / 31**
Enrollment in higher education as percent of population aged 20–24 | **NA**

Labor force

Percent of labor force in agriculture/industry/services | **74 / 14 / 12**
Percent of population of working age (aged 15–64) | **67**
Age-dependency ratio | **49**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **76**
Enrollment in secondary education as percent of age group | **31**
Percent of married women aged 15–49 using contraceptives | **74**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **21 / 79**
Population of major metropolitan areas
  Shanghai | **6,698,000**
  Beijing | **5,608,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.4**
Average annual growth in rural areas, 1980–85 (percent) | **1.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **310**
Unemployment (percent) | **1.8**

Costa Rica

THE CLIMBERS

Costa Rica is Central America's notable exception. The only Climber country in Central America, Costa Rica not only has life expectancy and infant mortality rates comparable to those of most developed countries, but has a high contraception prevalence rate and a low fertility rate. In Costa Rica, 3.2 children are born to each woman, on average, in her lifetime. In addition, medicine and education are free, with government pensions for old age, injury, and death. An impressive 22 percent of those aged 20 to 24 are enrolled in higher education and 42 percent of high school-aged students are enrolled in secondary education.

A RELATIVELY HIGH STANDARD OF LIVING

These basic demographic, educational, and health-related indicators point to a relatively high standard of living. According to the United Nations Economic Commission for Latin America, only 25 percent of Costa Ricans are poor.

However, most Costa Ricans earn little. Per capita income in 1981 was $1,476. In 1981, the most common salary range was $33 to $55 a month (earned by 25 percent of all workers). About 12 percent of workers earned $111 a month in 1981. The past 5 years have done little to improve the workers' lot. In fact, overall living standards have dropped by 12 percent in the last seven years due to austerity measures implemented to reduce the $3.6 billion debt. Paying interest on the foreign debt takes 30 percent of Costa Rica's export earnings.

The economic future for Costa Rica depends heavily on attracting foreign investment—not an easy goal in light of investors' fears of political turmoil in neighboring Nicaragua. However, the economy, helped along by rising prices for coffee, falling prices for oil, and declining interest rates, is not doing all that badly. Inflation is a controlled 12 to 13 percent and the trade deficit should run a modest $40 to $50 million this year.

> ***Young people born in the 1960s and 1970s are now entering the job market. And they will continue to do so in disproportionately large numbers through the 1990s.***

A SMALL BUT GROWING CONSUMER MARKET

Costa Rica's 2.9 million people make up a small but growing consumer group. Although population growth has slowed since the boom years of the 1950s and 1960s, Costa Rica will add another million people by the year 2000.

Costa Rica experienced rapid population growth after 1950 as mortality declined and fertility remained high. Prior to 1965, a Costa Rican woman would bear an average of 6.9 children. By 1985, this figure had dropped to 3.5 children as a result of socioeconomic development and family planning programs. As a result, growth slowed in the 1970s and

*See the January 1984 issue of **International Demographics** for in-depth consumer information about Costa Rica. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

1980s. Costa Rica's annual average population growth rate, which had been 2.71 percent during the 1930s and 1940s, jumped to 3.64 percent between 1950 and 1965 and then declined to 2.81 percent between 1965 and 1985.

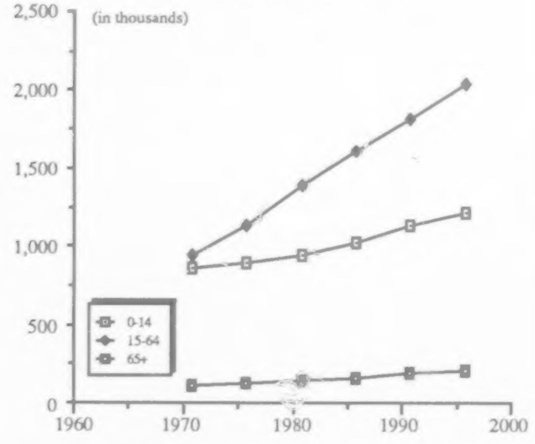
Despite reduced fertility, Costa Rica's population will continue to grow. Costa Rica's current 3.2 children per woman is well above the 2.1 children necessary for a population to replace itself. Add to this the extra-large proportions of young people entering childbearing—the legacy of past high fertility—and it comes as no surprise to hear that Costa Rica's 1988 population of 2.9 million is projected to grow to 3.4 million by the year 2000 and 4.6 million by 2020.

THE YOUTH WAVE

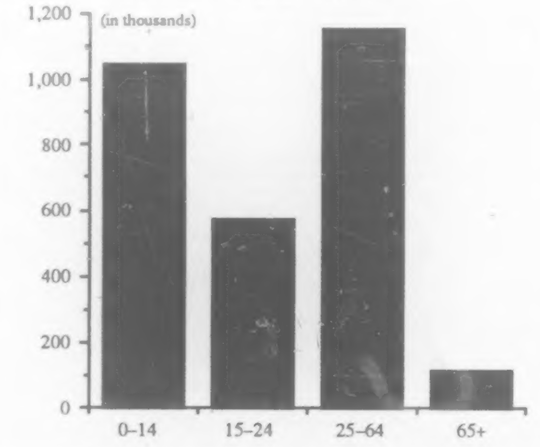
Like most Latin American countries, Costa Rica is young. About 36 percent of its 1988 population was under age 15. Costa Rica's high birthrates of the 1950s and 1960s produced a very youthful population age structure. Declining birth rates in the late 1960s, however, were responsible for reducing the proportion of youth in the population from 48 percent in 1960 to the present 36 percent.

Past high fertility puts pressure on city job markets and housing for new families now. Young people born in the 1960s and 1970s are now entering the job market. And they will continue to do so in disproportionately large numbers through the 1990s. If, as President Oscár Arias recently suggested, foreign banks re-invest part of their interest in Costa Rican export industries, or if currently prospering non-traditional exports continue doing well, Costa Rica may have a better chance at putting its surging numbers of job hunters to work.

Costa Rica: Population by age group, 1970–1995



Costa Rica: Population by age group, 1988



take a quick look at Costa Rica

POPULATION DATA FOR 1988

Total population | **2,888,000**
Rate of population growth, calendar year 1988 (percent) | **2.6**
Lifetime births per woman (total fertility rate) | **3.2**
Birth rate (births per 1,000) | **27.9**
Death rate (deaths per 1,000) | **3.6**
Population under 15 (percent) | **36.2**
Population aged 65 or over (percent) | **4.1**
Median age | **22.0**
Percent of all women in fertile age group (aged 15–49) | **51.9**
Population density (number of persons per square kilometer) | **57**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73 / 79**
Infant mortality rate (number of deaths per 1,000 live births) | **16**
Population per physician/per nurse | **1,212 / 317**
Daily calorie supply per capita (calories per person per day) | **2,803**

Education

Percent literate (male/female, total percent) | **93 / 93, 93**
Enrollment in secondary education as percent of age group (male/female) | **40 / 45**
Enrollment in higher education as percent of population aged 20–24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **31 / 23 / 46**
Percent of population of working age (aged 15–64) | **60**
Age-dependency ratio | **67**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **24**
Enrollment in secondary education as percent of age group | **45**
Percent of married women aged 15–49 using contraceptives | **68**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **40 / 60**
Population of major metropolitan areas
    San Jose | **245,000**
    Puntarenas | **48,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.2**
Average annual growth in rural areas, 1980–85 (percent) | **1.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,300**
Unemployment (percent) | **6.8**

South Korea

THE CLIMBERS

This was the year of Korea's rising middle class. Demanding politically what they had already earned economically, they threw their support behind rioting students and put Korea on the road to democratic reform.

None of this comes too soon for a country bent on transforming its manufacturing sector from a reliance on labor-intensive manufacting to capital and skill-intensive industries. Authoritarianism, which drove the early stages of Korea's industrialization, is a growing obstacle in this country.

THE RISE OF THE MIDDLE CLASS

The rise of Korea's middle class has been nothing short of phenomenal. In 1935, 95 percent of all Koreans were peasants. By 1985, two out of three Koreans lived in cities. Annual per capita GNP soared from $120 in 1965 to $2,150 in 1988 as the volume of Korea's industrial production increasd 50-fold and its exports 100-fold. In just 20 years, the number of Koreans living below the poverty line decreased from 40.9 percent of the population to 12.3 percent of the population.

Current gains have continued to be impressive. Per capita GNP grew an average of 5.9 percent annually between 1982 and 1986. Private consumption grew at 5.5 percent annually during the same period. In addition, income inequalities are slowly giving way. The income share of the bottom 40 percent of households rose from 15.4 percent in 1978 to 17.5 percent in 1986.

SERVICES IMPROVE

Korea's health services have also shown marked improvement in the six short years since 1980. More Koreans are covered by medical insurance and industrial accident insurance than ever before. About 66 percent of all Koreans are covered by medical insurance, up from only 30 percent in 1980. Forty-one percent of industrial workers are now covered by industrial accident insurance, up from 26 percent in 1980. Population per physician has decreased from 1,485 persons per physician in 1980 to 1,275 persons per physician in 1986.

> ***Past rises in the standard of living have been nothing short of astounding.***

South Korea began implementing population policies in the early 1960s, when 5.4 lifetime births per woman were the norm. By 1988, lifetime births per woman had fallen to 2.2—near the 2.1 births per woman necessary for a population to just replace itself. South Korea's 1988 population of 42.7 million people gives the country one of the highest population densities in Asia, second only to Bangladesh.

*See the April 1987 issue of **Consumer Markets Abroad** and the April 1982 issue of **International Demographics** for in-depth consumer information about South Korea. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

BABY BOOMERS FUEL POPULATION GROWTH AND CONSUMPTION

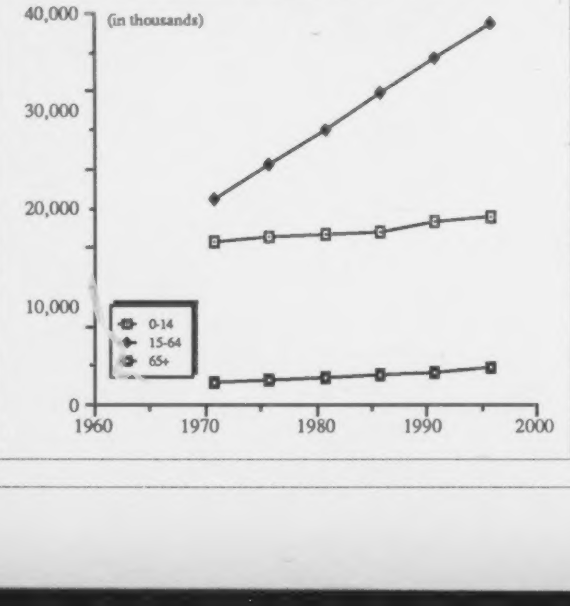
South Korea is dominated by an increasingly educated youth and a growing middle class. South Korea's demographic picture indicates expanding potential markets for overseas imports as the disproportionately large group of Korean baby boomers enter their prime spending years. Korean baby boomers number about 14 million, representing about 23 percent of the total population.

Baby boomers entering their primary childbearing years will fuel population growth, although the number of lifetime births per woman has already fallen to replacement level. Korea's 1988 population of about 42.7 million is expected to grow to 76.7 million by the year 2000 and 92.6 million by 2020.

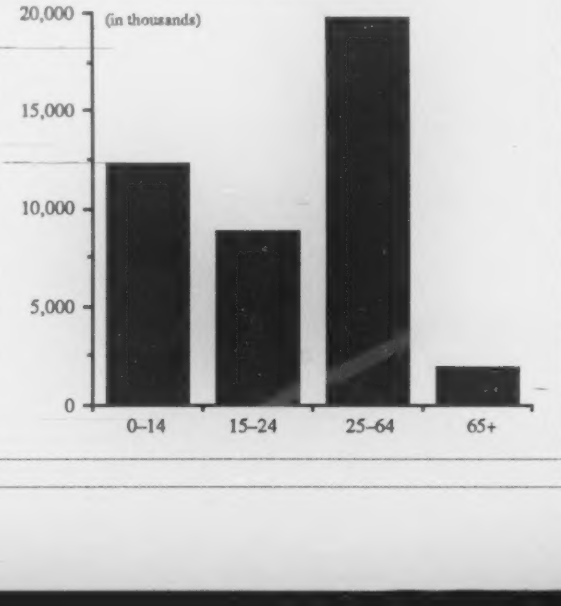
Korea has a relatively young population, with a median age of just 25.3 years. About 29 percent of the population are under age 15. The proportion of the population in their prime spending years (15 to 64) will increase from 63 percent of total population to 66 percent by the year 2000 and just over 69 percent by 2020.

It is important to note that spending patterns are influenced greatly by the Korean penchant for higher education. After the average monthly industrial wage of $325 is portioned out for necessities, the rest is often invested in education, as only primary schooling is provided free of charge. With 94 percent of Koreans of secondary school age enrolled in secondary education, this trend is pervasive.

South Korea: Population by age group, 1970–1995



South Korea: Population by age group, 1988



take a quick look at South Korea

POPULATION DATA FOR 1988

Total population | **42,733,000**
Rate of population growth, calendar year 1988 (percent) | **1.3**
Lifetime births per woman (total fertility rate) | **2.2**
Birth rate (births per 1,000) | **20.5**
Death rate (deaths per 1,000) | **6.3**
Population under 15 (percent) | **28.7**
Population aged 65 or over (percent) | **4.5**
Median age | **25.3**
Percent of all women in fertile age group (aged 15–49) | **55.2**
Population density (number of persons per square kilometer) | **434**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **66 / 72**
Infant mortality rate (number of deaths per 1,000 live births) | **25**
Population per physician/per nurse | **1,284 / 350**
Daily calorie supply per capita (calories per person per day) | **2,841**

Education

Percent literate (male/female, total percent) | **94 / 81, 88**
Enrollment in secondary education as percent of age group (male/female) | **97 / 91**
Enrollment in higher education as percent of population aged 20–24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **36 / 27 / 37**
Percent of population of working age (aged 15–64) | **67**
Age-dependency ratio | **50**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **44**
Enrollment in secondary education as percent of age group | **91**
Percent of married women aged 15–49 using contraceptives | **70**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **57 / 43**
Population of major metropolitan areas
  Seoul | **13,665,000**
  Pusan | **3,996,000**
Average annual growth in urban areas, 1980–85 (percent) | **4.4**
Average annual growth in rural areas, 1980–85 (percent) | **-2.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,150**
Unemployment (percent) | **4.0**

Mexico

THE CLIMBERS

Mexico began the developing-country debt drama in 1982. Since then Mexico's debt rescheduling program has lessened the debt crisis to a more manageable level by cutting government spending, increasing taxes, devaluing the peso, and curbing demand. By 1985, the government had cut spending by 25 percent in real terms, halving the budget deficit as a proportion of the GNP. Mexico also cut imports between 1982 and 1985 by $8 billion.

In response to these austerity measures, the real earnings of an industrial worker fell about 40 percent and the economy contracted sharply. Per capita consumption fell by 1.4 percent annually between 1980 and 1984. GDP fell by 0.7 percent annually over the same period, making people poorer and putting political pressure on the government. Solutions seem designed to provide breathing space rather than any real way out of what appears to be a chronic economic problem.

Mexico's demographics only aggravate this situation. Hyper-urbanized (22 percent of Mexicans live in Mexico City) and young (39 percent of Mexicans are under age 15), Mexico faces an ongoing struggle to provide housing and jobs in the cities. Rapid urbanization means that 66 percent of Mexico's population lives in urban areas, up from 26 percent in 1950.

Before the early 1970s, when the Mexican government introduced family planning, the average Mexican woman had 6.8 lifetime births. The population grew rapidly from about 27 million people in 1950 to 43.5 million in 1965. Deaths also declined with the introduction of modern medicine.

Between 1950 and 1965, the population grew at an average annual rate of 3.09 percent. Population growth slowed to 2.98 percent between 1965 and 1985, as lifetime births fell to 4.6 per woman between 1980 and 1985. Fertility is projected to fall further to 2.9 lifetime births per woman in the year 2000 and 2.3—near replacement level—in 2010.

> ***Rapid urbanization means that 66 percent of Mexico's population lives in urban areas, up from 26 percent in 1950.***

However, with population momentum, the population will continue to grow rapidly from 70 million in 1980 to 112 million in the year 2000 as high proportions of Mexican youth enter childbearing ages.

JOB CREATION: AN ENORMOUS TASK FOR MEXICAN INDUSTRY

Each year between 700,000 and 800,000 young people look for work in Mexico. Most look in the city. While Mexico's total population increases at about 2 percent a year, the labor force—those working or looking for work—grows at about 3.4 percent.

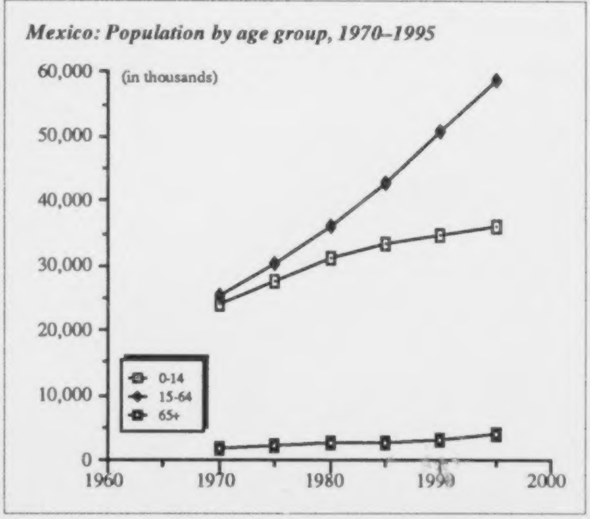
With youth populations growing especially fast, strong pressure on city job markets

*See the February 1987 issue of **Consumer Markets Abroad** and the October 1982 issue of **International Demographics** for in-depth consumer information about Mexico. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

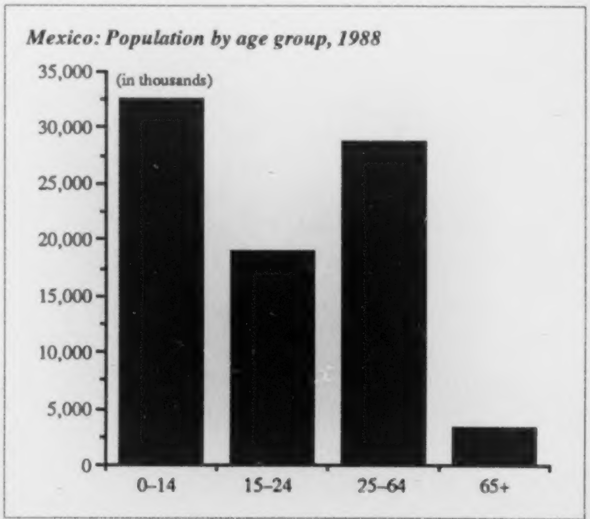
and housing will continue into the next century. The number of people aged 15 and over working or looking for work is expected to more than double between 1980 and the year 2000, from 20 million to 42 million. About 20 percent of Mexico's 1985 population were aged 15 to 24. A whopping 42 percent were under age 15.

Job growth must happen in the cities. With urban population tripling from 30.5 million in 1970 to 84.6 million in the year 2000, and the nonagricultural labor force quadrupling, the demand for urban jobs will be an ongoing problem. In addition, fulfilling the expectations of youth fed by increased education and media exposure in an economy characterized by a modernized, high-income sector is extremely difficult.

Mexico's track record does not give rise for any high hopes. World Bank figures from 1977 (the Mexican census does not ask about income) show that the top 20 percent of households controlled 58 percent of total income (of which the top 10 controlled 41 percent), with the bottom 20 percent of households controlling only 3 percent of total income. Unequal income distribution combined with hyper-urbanized population distribution aggravate Mexico's job market outlook.



Mexico: Population by age group, 1970–1995



Mexico: Population by age group, 1988

take a quick look at Mexico

POPULATION DATA FOR 1988

Total population | **83,528,000**
Rate of population growth, calendar year 1988 (percent) | **2.0**
Lifetime births per woman (total fertility rate) | **3.3**
Birth rate (births per 1,000) | **27.9**
Death rate (deaths per 1,000) | **5.8**
Population under 15 (percent) | **38.8**
Population aged 65 or over (percent) | **4.1**
Median age | **19.6**
Percent of all women in fertile age group (aged 15–49) | **50.3**
Population density (number of persons per square kilometer) | **42**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **67 / 73**
Infant mortality rate (number of deaths per 1,000 live births) | **44**
Population per physician/per nurse | **1,200 / 715**
Daily calorie supply per capita (calories per person per day) | **3,177**

Education

Percent literate (male/female, total percent) | **86 / 80, 83**
Enrollment in secondary education as percent of age group (male/female) | **56 / 53**
Enrollment in higher education as percent of population aged 20–24 | **15**

Labor force

Percent of labor force in agriculture/industry/services | **37 / 29 / 35**
Percent of population of working age (aged 15–64) | **57**
Age-dependency ratio | **75**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **31**
Enrollment in secondary education as percent of age group | **53**
Percent of married women aged 15–49 using contraceptives | **50**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **66 / 34**

Population of major metropolitan areas

Mexico City | **16,901,000**

Guadalajara | **2,746,000**

Average annual growth in urban areas, 1980–85 (percent) | **3.6**

Average annual growth in rural areas, 1980–85 (percent) | **0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,080**

Unemployment (percent) | **4.5**

Peru

THE CLIMBERS

Ever since Peru's President Alan Garcia refused to spend more than 10 percent of the country's income servicing its foreign debt, all eyes have been focused on the Peruvian economy. So far, so good, say analysts who point to Peru's expected growth rate for 1987 of 6 percent. But with creditor bank relations icy and access to the International Monetary Fund cut off, businessmen remain skeptical about Peru's longer term economic picture.

Peru's problems are not new, although they came to the fore when the Latin American debt crisis began. Public-sector loans made to Peru between 1970 and 1985 mainly financed food imports and military expenditures. Analysts estimate that only about 10 percent of the loans were used productively to create jobs. Peruvian officials also employed many new workers in government rather than in private-sector jobs. About half of all salaried workers sit behind government desks.

GROWTH AND AGE STRUCTURE INTENSIFY

Peru's demographic picture compounds its economic problems. Consistently high fertility combined with rapidly dropping mortality led to sustained, rapid population growth just after World War II. In 1950, Peru's population numbered 7.6 million people. By 1970, the population had surged to 13.1 million, and by 1987 to 21.2 million people.

And although the population growth rate is slowing and the birth rate is edging downward, the disproportionately large numbers of youth entering their childbearing ages well into the twenty-first century will keep up the demographic pressure. The population growth rate is expected to fall slightly from its present 2.5 percent to about 2.1 percent in the year 2000. However, population will continue to climb from its current 21.3 million to 28.1 million in the year 2000 and to 40.3 million in 2020.

> ***The Peruvian population will remain young well into the twenty-first century. About 40 percent of all Peruvians are under age 15.***

Peruvian women in the 1950s commonly bore about seven children. By the early 1970s, the number of lifetime births had fallen to about six births per woman. It was not until the early 1980s that fertility had come down to five children per woman—still a very high fertility rate.

The Peruvian population will remain young well into the twenty-first century. About 40 percent of all Peruvians are under age 15. This proportion will decrease somewhat to about 36 percent of the total population by the year 2000. Those aged 15 to 64, who now make up about 56 percent of Peru's total population, are expected to increase to 60 percent of the population by the year 2000. The proportion of those over age 65 will remain small, reaching 4.3 percent of the

*See the June 1983 issue of **International Demographics** for in-depth consumer information about Peru. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

total population by the year 2000, up from 3.6 percent of the total population at present.

PERU'S MEGACITY: LIMA

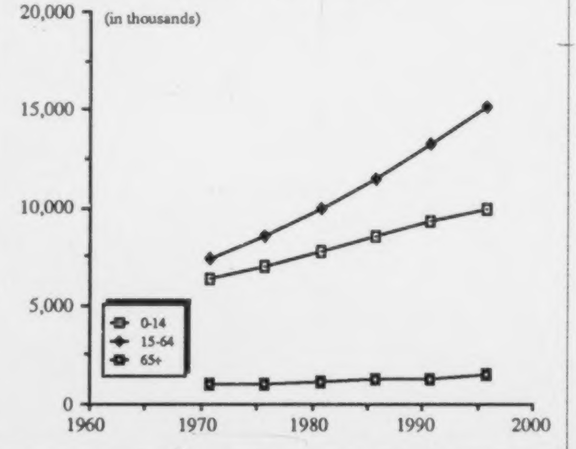
So many young people entering their childbearing and family formation years will place severe pressures on already stressed urban job markets, services, and housing. Much of the pressure will mount in Peru's capital city, Lima.

Lima is Latin America's sixth largest metropolitan area—with about 4.5 million people in Peru's 1981 census year and a projected 5.4 million in 1988. This city commands a disproportionate share of Peru's population and wealth. Accounting for nearly 30 percent of Peru's entire population and about 42 percent of its urban population in 1981, Lima typifies the uniqueness of Latin America's urban system. Compared to other developing regions in the world, Latin America is city- rather than village-oriented. By far the most urbanized of the world's developing regions, Latin America is characterized by large-city growth.

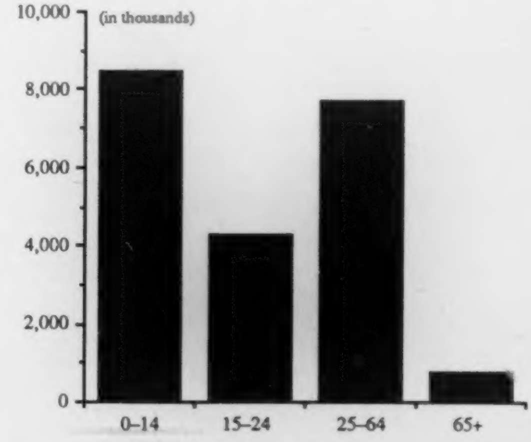
Lima is typical of such growth. Lima's 1940 population represented about 10 percent of the total Peruvian population. By 1961, this proportion had risen to 18 percent, by 1972 to about 24 percent, and to nearly 30 percent by 1981. Although this trend continues, Lima's urban primacy is waning with the growth of some regional centers like Trujillo and Chimbote. Nevertheless, Lima is still almost 10 times as large as the country's next ranking cities, Trujillo on the northern coast and Arequipa in the south.

Lima's predominance is not limited to population alone. It is Peru's most economically important area, accounting for 43 percent of Peru's GDP, 70 percent of its industrial income, 66 percent of its labor force, and 95 percent of all financial transactions. However, as mentioned earlier, Lima's rapid urban growth puts increasingly severe pressures on the city's services, housing, and job market, leading to extreme differences in lifestyle between rich and poor.

Peru: Population by age group, 1970–1995



Peru: Population by age group, 1988



take a quick look at Peru

POPULATION DATA FOR 1988

Total population | **21,269,000**
Rate of population growth, calendar year 1988 (percent) | **2.5**
Lifetime births per woman (total fertility rate) | **4.5**
Birth rate (births per 1,000) | **34.3**
Death rate (deaths per 1,000) | **9.2**
Population under 15 (percent) | **39.8**
Population aged 65 or over (percent) | **3.6**
Median age | **19.8**
Percent of all women in fertile age group (aged 15–49) | **48.5**
Population density (number of persons per square kilometer) | **17**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **60 / 64**
Infant mortality rate (number of deaths per 1,000 live births) | **88**
Population per physician/per nurse | **1,236 / 894**
Daily calorie supply per capita (calories per person per day) | **2,171**

Education

Percent literate (male/female, total percent) | **90 / 74, 82**
Enrollment in secondary education as percent of age group (male/female) | **68 / 61**
Enrollment in higher education as percent of population aged 20–24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **40 / 18 / 42**
Percent of population of working age (aged 15–64) | **57**
Age-dependency ratio | **77**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **27**
Enrollment in secondary education as percent of age group | **61**
Percent of married women aged 15–49 using contraceptives | **46**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **65 / 35**
Population of major metropolitan areas
    Lima | **5,447,000**
    Trujillo | **421,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.5**
Average annual growth in rural areas, 1980–85 (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,010**
Unemployment (percent) | **10.9**

Philippines

THE CLIMBERS

Uncertainty still surrounds the two year old Aquino government. Struggles with quarrelling ministers, military malcontents, and communist groups have eroded some of Aquino's credibility.

The best news so far has been the slow recovery of the Philippine economy. Exports grew in 1987, rising 13 percent in the first 8 months of 1987 from a year earlier to $3.6 billion. However, the trade gap is still widening, with imports up 23 percent to $4.1 billion. This $600 million gap causes some concern, but it is small compared to the $2 billion gap of just five years ago.

FILIPINO FAMILIES LOSE OUT

Despite the overall positive performance of the Philippine economy in the last decade—GDP grew at an annual rate of 2.3 percent, jumping from $18 billion to $26.6 billion between 1976 and 1986—recent years have not been good for the average Filipino. With declines in world prices for Philippine sugar and copper, increases in debt-servicing payments, a flight of capital, and declines in domestic and overseas investments, GDP growth, which averaged 5.1 percent annually during the 1960s and 6 percent annually during the 1970s, began its decline to 3.2 percent in 1983 and -5.5 percent in 1984.

As a result, mean family income has declined about 46 percent in real terms since 1981. Per capita GNP in 1985 was only $580. Income distribution remains dramatically uneven, with the highest 20 percent of households garnering about 50 percent of total income.

At present, 60 percent of all Filipino households are considered to be below poverty level, or unable to meet basic needs. Demographic pressures exacerbate this picture. Recent findings point to some disturbing trends, not the least of which is a turnaround of what appeared to be a successful family planning program.

> ***At present, 60 percent of all Filipino households are considered to be below poverty level, or unable to meet basic needs.***

FAMILY PLANNING STALLED

Family planning, which increased substantially in the 1970s, stalled in the 1980s. The 1983 National Demographic Survey found the National Population Program unable to cope with the increasing numbers of women entering their childbearing ages. As a result, the desired changes in reproductive behavior of Filipino couples have not taken place.

Rapid population growth has been an ongoing problem for the Philippines since post-war mortality rates decreased and the average number of lifetime births for Filipino women remained high. In 1975, the average number of lifetime births stood at 5.2. Fertility declined to 4.7 children per woman in

*See the June 1987 issue of **Consumer Markets Abroad** for in-depth consumer information about the Philippines. Back issues are $16 ech and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

1986. However, this number of lifetime births per woman is still well above the 2.1 children per woman needed to simply replace the population.

Because of continued high fertility, the population will continue to grow rapidly, from 63.2 million in 1988 to 85.5 million in the year 2000 and 107 million in 2010, placing unrelenting demographic pressures on the country. Fertility should decline to about 4.1 births per woman by the year 2000, but not nearly enough to stabilize the population.

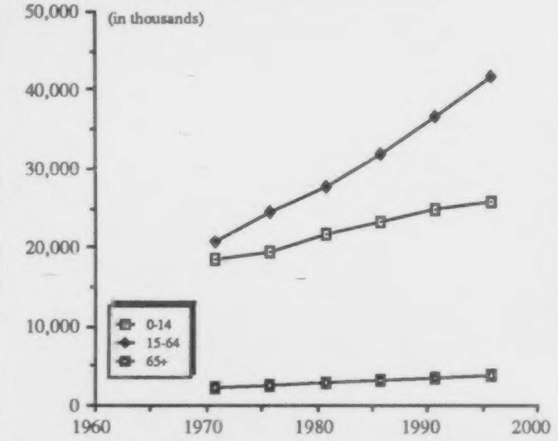
YOUTH ADD PRESSURE TO URBAN JOB MARKET AND HOUSING

A major source of concern is the pressure for urban jobs and housing as the disproportionately large group of Filipino youth enter their childbearing ages. At present about 41 percent of the population are under 15. More important for short-term job market expansion is the 20 percent of the Filipino population aged 15 to 24.

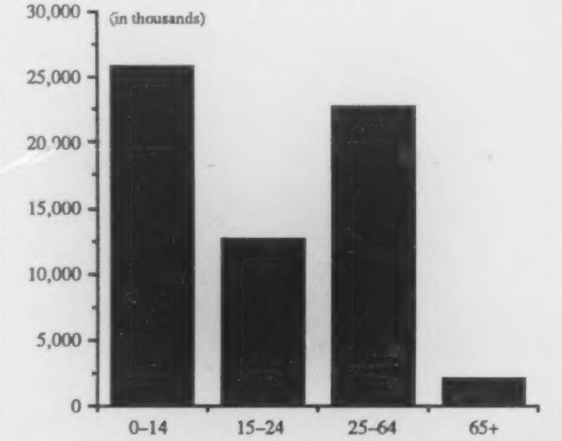
Adequately employing the growing numbers of those just entering the labor force is a major task for the struggling Filipino economy. In just 14 years, the 30 million people over age 15—of which 19 million are in the labor force—will swell to about 47 million, with an estimated labor force of almost 32 million. Providing an additional 13 million jobs in a short 14-year span when the current 19 million workers are not yet adequately employed may be an unreachable goal.

Already, metro Manila reported a 16.3 percent unemployment rate in 1986 with about 43 percent of those working considered underemployed. In addition, because of the high cost of land, low household incomes, and a scarcity of housing finance, at least two-thirds of all new housing in Manila is illegal and uncontrolled, according to government estimates.

Philippines: Population by age group, 1970–1995



Philippines: Population by age group, 1988



take a quick look at Philippines

POPULATION DATA FOR 1988

Total population | **63,199,000**
Rate of population growth, calendar year 1988 (percent) | **2.7**
Lifetime births per woman (total fertility rate) | **4.7**
Birth rate (births per 1,000) | **34.8**
Death rate (deaths per 1,000) | **6.9**
Population under 15 (percent) | **40.8**
Population aged 65 or over (percent) | **3.3**
Median age | **19.4**
Percent of all women in fertile age group (aged 15–49) | **48.7**
Population density (number of persons per square kilometer) | **210**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **63 / 68**
Infant mortality rate (number of deaths per 1,000 live births) | **49**
Population per physician/per nurse | **1,143 / 2,590**
Daily calorie supply per capita (calories per person per day) | **2,341**

Education

Percent literate (male/female, total percent) | **84 / 83, 83**
Enrollment in secondary education as percent of age group (male/female) | **65 / 71**
Enrollment in higher education as percent of population aged 20–24 | **29**

Labor force

Percent of labor force in agriculture/industry/services | **52 / 16 / 33**
Percent of population of working age (aged 15–64) | **56**
Age-dependency ratio | **79**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **50**
Enrollment in secondary education as percent of age group | **71**
Percent of married women aged 15–49 using contraceptives | **33**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **37/63**
Population of major metropolitan areas
    Manila | **8,485,000**
    Quezon | **1,326,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.6**
Average annual growth in rural areas, 1980–85 (percent) | **1.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **580**
Unemployment (percent) | **6.1**

Portugal

THE CLIMBERS

Portugal's entry into the European Economic Community is expected to change life in that country, albeit slowly. But it has a long struggle before it catches up to most of its EEC country counterparts.

COMPETITION AND EEC MEMBERSHIP

About a quarter of the labor force in Portugal work in agriculture; even that is not enough to produce the food that its residents need. Most of the farms are small, and even the large farms are ill-equipped and inefficient. Half of its food must be imported even in good times, so it is likely that improving agricultural efficiency will be high on the agenda for this country in the next few years.

Because it must compete with others in the EEC, Portugal must upgrade and modernize its food packaging and processing equipment. When people first begin to increase their incomes, they often purchase a greater variety of foods, in more convenient forms and packages. If Portugal's own producers are not to lose market share to other EEC countries, they must be able to either add value to imported foods or provide more attractive food from their own farms and processors.

Only 38 percent of the labor force work in services, a relatively low proportion compared with other EEC countries. No doubt this field will grow relatively quickly, again as Portuguese industry attempts to modernize and compete with other EEC firms. Computerization will be necessary in many cases.

About 37 percent of Portugal's labor force work in manufacturing. The textiles industry is especially important to the economy, but it too will need to modernize in order to gain from Community membership.

> ***Households in Portugal are less likely to have the amenities commonly found in the households of other European countries.***

THE RURAL LIFE

Nearly 74 percent of Portugal's 10.3 million people live in rural areas. Its largest city is Lisbon, with about 807,000 people. The next largest is Porto, with about 330,000. All other Portuguese cities have fewer than 100,000 inhabitants. Even so, its population density is 113 persons per square kilometer, making it similar in density to more technologically advanced and populous countries such as France, and slightly more crowded than neighboring Spain.

Households in Portugal are less likely to have the amenities commonly found in the households of other European countries. The rural character of Portugal is responsible in part for the fact that only 73 percent of households are served by electricity, only 58 percent have piped-in water, 63 percent a

See the November 1987 issue of ***Consumer Markets Abroad*** *for in-depth consumer information about Portugal. Back issues are $16 and are available by calling toll free, 800-828-1133; in New York call 800-462-8686* toilet, and 47 percent a shower or bath. Nearly 100 percent of new homes have piped water and a bathroom, even though only 4 percent have central heating. Space-heating equipment could be an important consumer item in Portugal for some time.

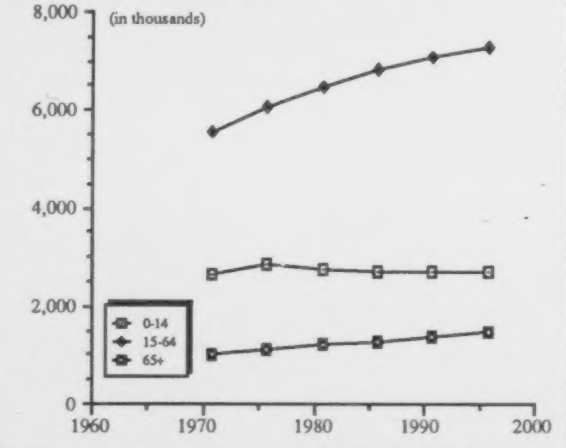
Households in Portugal do not have high rates of ownership of consumer goods. Sixty-six percent of households have a black and white television, but only 17 percent have a color television. About 70 percent of households have a refrigerator, but only 15 percent have a deep freeze. About 30 percent of households have a washing machine. Less than half of Portuguese households own items such as electric shavers, sewing machines, and record players.

A FOCUS ON PRIMARY HEALTH CARE

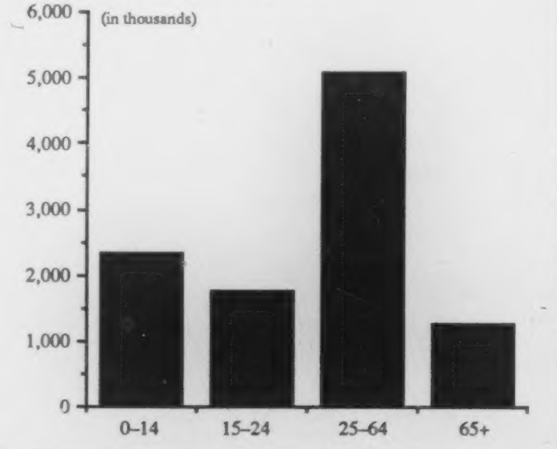
Most EEC countries are concerned about health care, as their populations are aging fast. In the case of Portugal, however, the focus is placed on improving primary health care for the entire population, one-quarter of which is aged 0 to 14. Only about 12 percent of the population is aged 65 and over. Life expectancy is 70 for men and 78 years for women.

The median age is 32 years, so a quarter of the Portuguese population are in the prime years for secondary education and for family formation. This significant pool of people entering their high spending years, just as Portugal becomes affiliated with the European Economic Community, could open up a sizeable market for household furnishings, small and large appliances, and consumer electronics, many of which are not manufactured in Portugal.

Portugal: Population by age group, 1970–1995



Portugal: Population by age group, 1988



take a quick look at Portugal

POPULATION DATA FOR 1988

Total population | **10,388,000**
Rate of population growth, calendar year 1988 (percent) | **0.7**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **14.5**
Death rate (deaths per 1,000) | **9.5**
Population under 15 (percent) | **22.4**
Population aged 65 or over (percent) | **12.0**
Median age | **31.9**
Percent of all women in fertile age group (aged 15–49) | **48.5**
Population density (number of persons per square kilometer) | **113**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **70 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **16**
Population per physician/per nurse | **451 / 994**
Daily calorie supply per capita (calories per person per day) | **3,161**

Education

Percent literate (male/female, total percent) | **85 / 75, 79**
Enrollment in secondary education as percent of age group (male/female) | **43 / 51**
Enrollment in higher education as percent of population aged 20–24 | **12**

Labor force

Percent of labor force in agriculture/industry/services | **26 / 37 / 38**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **52**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **44**
Enrollment in secondary education as percent of age group | **51**
Percent of married women aged 15–49 using contraceptives | **66**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **26 / 74**
Population of major metropolitan areas
    Lisbon | **807,000**
    Porto | **327,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.8**
Average annual growth in rural areas, 1980–85 (percent) | **0.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,970**
Unemployment (percent) | **8.5**

Puerto Rico

THE CLIMBERS

Although officially part of the U.S., many companies include Puerto Rico among their international markets. Puerto Rico's population is now young, but it won't remain that way for long. As fertility continues to decline and the baby boomers enter the ranks of the elderly, the proportion of those aged 65 and over will increase dramatically by 2025.

The proportion of the elderly will increase from about 8 percent in 1980 to an estimated 12.5 percent in 2025. At the same time, the proportion of the young—those aged under 15—is expected to drop from 31.6 percent in 1950 to roughly 21.4 percent in 2025.

Puerto Rico belongs to the group of youthful countries in which both fertility—the number of children a woman would commonly bear in her lifetime—and mortality began to decline in the 1950s. In the 1950s, women commonly bore 5 children. By the early 1970s, however, 3 children was the norm. The fertility rate between 1980 and 1985 averaged 2.6 children per woman. This trend is expected to continue with fertility dropping further to 2.1 children per woman in 1988.

But Puerto Rico's population will not stabilize at this time even though couples will be bearing only enough children to reproduce themselves. Because large numbers of those born in past high fertility periods are currently entering their childbearing years, the population is projected to grow from an estimated 3.4 million in 1985 to 4.2 million in the year 2000 and to 5.2 million in 2025.

However, outmigration is an important factor when assessing future population estimates for Puerto Rico. Puerto Rico has been growing at a relatively slow pace in recent years due partly to net outmigration. Puerto Rico's 1983 population, for example, was 3.3 million people. Between 1980 and 1983, Puerto Rico's population grew by 70,000.

This change was made up of 229,000 births and 69,000 deaths, with a loss of 90,000 people through migration. The growth rate for the period 1980 to 1983 was a relatively low 2.2 percent, partly because of this high net outmigration.

> ***Puerto Rico belongs to the group of youthful countries in which both fertility and mortality began to decline in the 1950s.***

URBAN GROWTH OUTPACES RURAL GROWTH

Urban and rural areas show many demographic differences. The countryside is more youthful and households are larger than those found in the cities. In 1980, those under age 18 made up about 37 percent of the urban population, but 42 percent of the rural population. Median age was younger in rural than urban areas—22.5 years and 25.6 years respectively. Household size was larger in rural areas, with an average of 4 persons per household as compared to 3.5 persons in the cities. The cities accounted for about twice as many households as the countryside—599,535 and 268,162 households respectively in 1980. Urban growth far surpassed rural growth between 1970 and 1980. In just 10 years, urban areas grew by about 36 percent while rural areas decreased in population by about 7 percent. This trend is expected to continue with the percentage of the population living in urban areas projected to grow from 67 percent of the total population in 1980 to 85 percent of the population in the year 2000.

Nearly 2.6 million people lived in Puerto Rico's metropolitan areas in 1983, and 690,000 lived in nonmetro areas. Puerto Rico has four metropolitan statistical areas. The fastest growing in the early 1980s was Mayaguez on the western coast. It grew 4.8 percent between 1980 and 1983. Despite its high growth rate, however, Mayaguez has a total population of only 210,000.

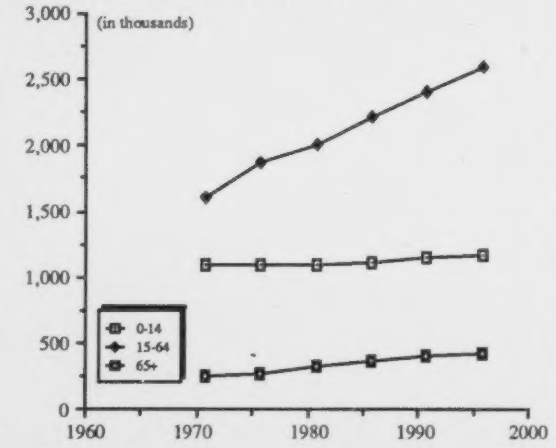
Aquadilla grew only about 0.5 percent during the period to 153,500 people. The Arecibo Metropolitan Statistical Area (MSA) grew 1.6 percent to 162,900 people, and the largest MSA, Ponce, grew by 1.7 percent to 234,000 people.

The only Consolidated Metropolitan Statistical Area (CMSA) is San Juan-Caguas with a population of 1.8 million residents. The fastest growing areas within the San Juan Primary Metropolitan Statistical Area (PMSA) between 1980 and 1983 include the city of Loiza, up 17.8 percent to 24,600 people; Rio Grande, up 9 percent to 37,400 people; Florida, up 7.8 percent to 7,800 people; Humacao, up 6.4 percent to 49,200 people; Corozal, up 6.4 percent to 30,000 people; Toa Alta, up 5.5 percent to 33,700 people; Dorado, up 5.4 percent to 26,900 people; and Juncos, up 5.2 percent to 26,700 people.

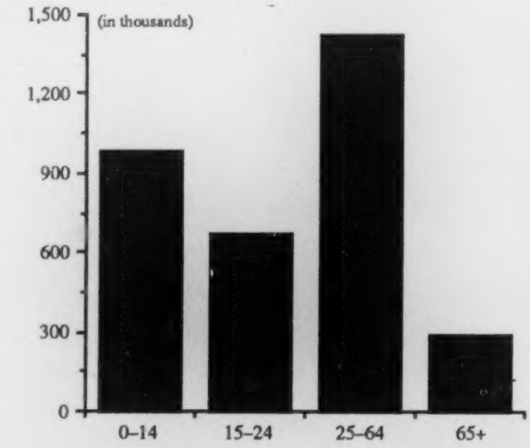
HOUSING SHOWS IMPROVEMENT

Multi-unit structures and mobile homes are increasingly housing Puerto Rico's growing population. Between 1970 and 1980, the number of households living in single-family homes grew by 33 percent while households in multi-unit structures increased 65 percent. The number of households living in mobile homes or trailers increased by over 100 percent. By 1980, about 16 percent of Puerto Rican homes had air conditioning.

Puerto Rico: Population by age group, 1970–1995



Puerto Rico: Population by age group, 1988



take a quick look at Puerto Rico

POPULATION DATA FOR 1988

Total population | **3,359,000**
Rate of population growth, calendar year 1988 (percent) | **0.8**
Lifetime births per woman (total fertility rate) | **2.1**
Birth rate (births per 1,000) | **18.8**
Death rate (deaths per 1,000) | **6.5**
Population under 15 (percent) | **29.2**
Population aged 65 or over (percent) | **8.7**
Median age | **25.6**
Percent of all women in fertile age group (aged 15–49) | **51.8**
Population density (number of persons per square kilometer) | **378**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/79**
Infant mortality rate (number of deaths per 1,000 live births) | **17**
Population per physician/per nurse | **907/256**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percent) | **90/88, 89**
Enrollment in secondary education as percent of age group (male/female) | **NA**
Enrollment in higher education as percent of population aged 20–24 | **45**

Labor force

Percent of labor force in agriculture/industry/services | **5/18/77**
Percent of population of working age (aged 15–64) | **62**
Age-dependency ratio | **61**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **NA**
Enrollment in secondary education as percent of age group | **NA**
Percent of married women aged 15–49 using contraceptives | **70**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **71 / 29**
Population of major metropolitan areas
    San Juan | **1,816,000**
    Ponce | **234,000**
Average annual growth in urban areas, 1980–85 (percent) | **2.6**
Average annual growth in rural areas, 1980–85 (percent) | **-0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **5,573**
Unemployment (percent) | **21.8**

Taiwan

THE CLIMBERS

Exporters enjoyed another boom year in Taiwan, with exports rising 39 percent in the first 8 months of 1987 from a year earlier to $39.5 billion. The trade surplus in 1987 is expected to reach $19 billion, topping the 1986 figure of $15 billion. Continued good news for Taiwanese exporters may spell trouble on the horizon, however.

Growth prospects may be threatened by protectionist feeling in the U.S., which buys half of Taiwan's exports. In addition, Taiwan's high level of foreign-exchange reserves—about $40 billion—could not only raise American ire abroad but spur inflation at home.

Despite these looming problems, long-term growth should benefit from the increased employment, capital investment, and transfer of technologies that Japan has brought by moving some production facilities to Taiwan.

But far from being just a manufacturing colony of the U.S. and Japan, Taiwan is setting its sights on designing, producing, and marketing its own proprietary products.

AN EXPANDING MIDDLE-CLASS MARKET

Demographic projections for Taiwan indicate expanding markets for overseas imports, as household income rises with Taiwan's economic fortune. Growth in per capita GDP, averaging 7.6 percent between 1976 and 1986, far outstripped Taiwan's population growth, which hovered around 2.2 percent in the 1970s and 1.9 percent in the early 1980s. And although Taiwan's population growth has slowed from 2.2 percent in 1971 to 1.2 percent in 1988, the population will continue to grow from its estimated 1988 population of 20 million people to 24.8 million by the year 2000 and 33.3 million by 2020.

Every year the average Taiwanese gets richer, at a rate almost three times as fast as the average American.

Taiwan's population is relatively young with one out of every two Taiwanese under age 24. However, with the number of lifetime births per woman projected to decrease from 2.3 in 1980 to 2.07 in 2005 (just under replacement level of 2.1 births per woman), the proportion of children (aged under 15) and youth (aged 15 to 24) in the total population will fall sharply by the year 2000. Both of these groups will increase in actual numbers, although their share of the total population will fall, from 32 percent of the population in 1980 to 23 percent of the population in 2005 for children aged under 15, and from 22 percent of the population in 1980 to 16.8 percent of the population in 2005 for youth aged 15 to 24. Concurrently, those aged 60 and over will increase proportionately, from 6.8 percent of the total population in 1980 to 11.4 percent of the total population in 2005.

See the March 1984 issue of ***International Demographics*** *for in-depth consumer information about Taiwan. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

GETTING RICHER

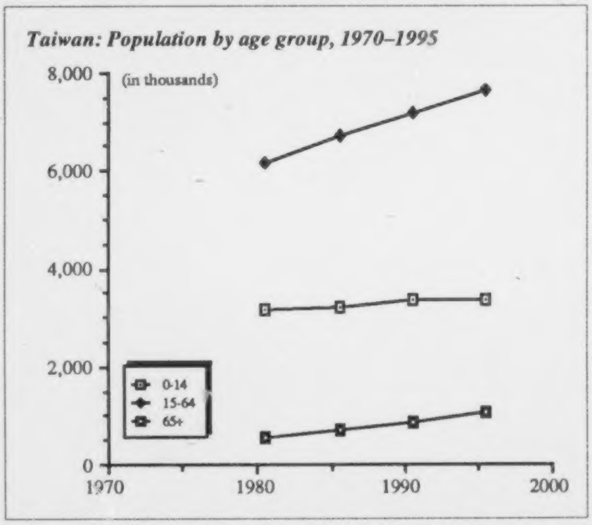
Every year the average Taiwanese gets richer, at a rate almost three times as fast as the average American. Even so, today's Taiwanese are a lot poorer than their American counterparts, with average incomes less than one-fifth of those in the U.S. If real incomes in the two countries continue to grow at their present rates (2 percent a year for Americans and just over 6 percent a year for Taiwanese) Taiwanese will be richer than Americans by the year 2023.

Part of the trend toward expanding household incomes results from increased women's participation in the workforce. About 54.6 percent of Taiwanese women work—a rate comparable to West Germany's 51.7 percent, Korea's 44 percent, and Singapore's 48 percent.

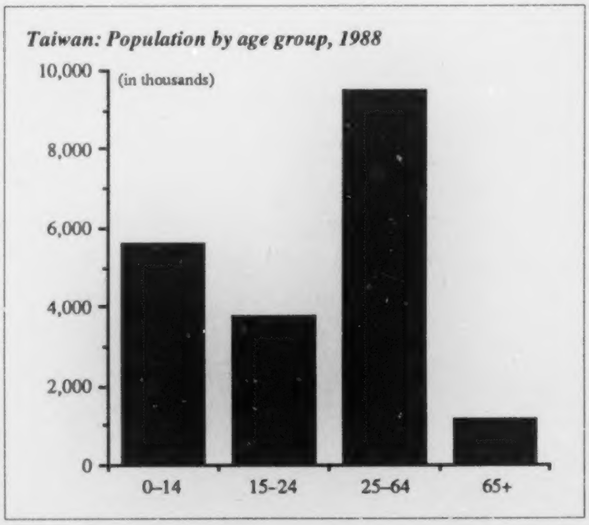
TAIWAN'S BRAIN DRAIN

The Taiwanese call them CEOs—Chinese Entrepreneurs Overseas. CEOs are really the 50,000 nationals who went overseas for an education and never returned. The big reason they stay away is money—technical professionals abroad can earn much more than the $400 a month a Taiwanese electrical engineer makes at home.

Another reason a Taiwanese will stay abroad is the country's lack of seats in institutions of higher learning. At present, universities can only accommodate one-third of Taiwan's high school graduates. And although great strides have been made in increased enrollment of children at older ages—59 percent of those aged 12 to 14 were enrolled in 1980, up from only 34 percent in 1966—college-age enrollments have remained fairly consistent with 16 percent of those aged 18 to 24 in college in 1980, an increase of only 2 percent over 1966.



Taiwan: Population by age group, 1970–1995



Taiwan: Population by age group, 1988

take a quick look at Taiwan

POPULATION DATA FOR 1988

Total population | **20,004,000**
Rate of population growth, calendar year 1988 (percent) | **1.2**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **16.9**
Death rate (deaths per 1,000) | **5.1**
Population under 15 (percent) | **28.2**
Population aged 65 or over (percent) | **5.7**
Median age | **26.5**
Percent of all wowen in fertile age group (aged 15–49) | **55.6**
Population density (number of persons per square kilometer) | **620**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 76**
Infant mortality rate (number of deaths per 1,000 live births) | **18**
Population per physician/per nurse | **858 / 320**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percent) | **92 / 78, 86**
Enrollment in secondary education as percent of age group (male/female) | **NA / NA**
Enrollment in higher education as percent of population aged 20–24 | **16**

Labor force

Percent of labor force in agriculture/industry/services | **18 / 33 / 49**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **51**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **55**
Enrollment in secondary education as percent of age group | **NA**
Percent of married women aged 15–49 using contraceptives | **72**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **66 / 34**
Population of major metropolitan areas
  Taipei | **5,550,000**
  Kaohsiung | **1,260,000**
Average annual growth in urban areas, 1980–85 (percent) | **NA**
Average annual growth in rural areas, 1980–85 (percent) | **NA**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,360**
Unemployment (percent) | **2.1**

Thailand

THE CLIMBERS

Thailand is enjoying a manufacturing boom in the second year of economic recovery. Exports are rising, fueled by cheap labor and a cheap but stable currency. The Bank of Thailand projects that 1987 exports will rise 17 percent from 1986 to $10.3 billion, and imports will rise 27 percent from 1986 to $11.8 billion.

A YOUNG, EXPANDING MARKET

Thailand's population is predominantly young, with 34 percent of the population under age 15. Another 22 percent are between the ages of 15 and 24. This means that about one out of every two Thais are under age 24. Because of sustained high fertility in the 1960s and 1970s, the Thai population will remain basically young well into the twenty-first century.

The number of lifetime births per woman fell from 6.2 children per woman in the 1960s, to 4.6 in the 1970s, and to about 3.5 in the early 1980s. Although the average number of lifetime births per woman has fallen to a low of 2.8 in 1988, the population will continue to grow as the large number of persons born during past high fertility periods reach their childbearing ages.

Thailand's 1988 population of 54.6 million people is projected to grow to 65.5 million by the year 2000 and 81.5 million by 2020. Fertility is not expected to reach replacement level—the 2.1 children per woman needed to stabilize population growth—until 2010.

RAPID URBANIZATION CAUSES PROBLEMS

Despite a rapid decline in fertility and population growth rates, rapid urbanization and rural-to-urban migration present serious ongoing problems for Thailand. Although Thailand is still mainly agricultural, with only 17 percent of Thais living in urban areas, the rate of urban growth outpaces that of population growth, and the urban population tends to concentrate in the capital city of Bangkok—which now holds 62 percent of Thailand's urban population.

> ***Despite a rapid decline in fertility and population growth rates, rapid urbanization and rural-to-urban migration present serious ongoing problems for Thailand.***

Young Thais migrate to urban areas in search of higher wages and a better standard of living than the countryside provides. Bangkok only houses about 10 percent of the total population, but uses one-third of the national income. Thirty-eight percent of urban dwellers in 1980 owned motorcycles (rural ownership: 14.7 percent), 21.3 percent owned cars (rural ownership: 1.1 percent), 67 percent owned black and white TVs (rural ownership: 9.1 percent), 10.9 percent owned color TVs (rural ownership: 0.4 percent), 56.4 percent owned sewing machines (rural ownership: 18 percent), and 61.3 percent owned refrigerators (rural ownership: 6.2

*See the December 1983 issue of **International Demographics** for in-depth consumer information about Thailand. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

percent). Rural residents only own more bicycles than urban dwellers, with 45.1 percent owning bicycles in comparison to 38.7 percent of their urban counterparts. Per capita income in 1985 was about $860.

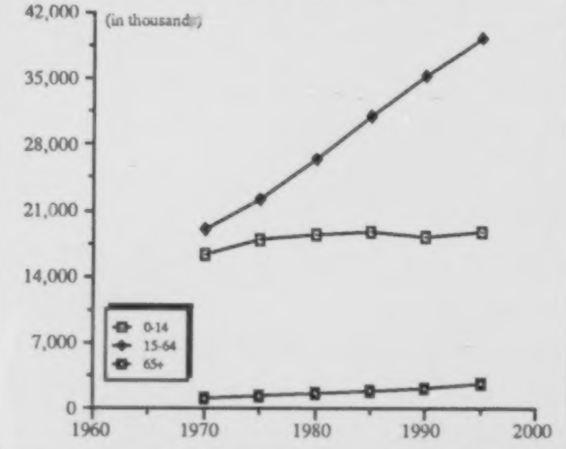
UNEMPLOYMENT LOW; UNDEREMPLOYMENT RAMPANT

Forty-five percent of Thais were employed in the census year of 1980. Only 2 percent were looking for work, and 18 percent were waiting for seasonal agricultural work. Among women aged 11 and over, 57 percent were economically active, with 40 percent employed, 2 percent looking for work, and 16 percent waiting for seasonal agricultural work. In 1980, 72.6 percent of all Thai workers worked in agriculture. In Bangkok, 53 percent of the population were employed.

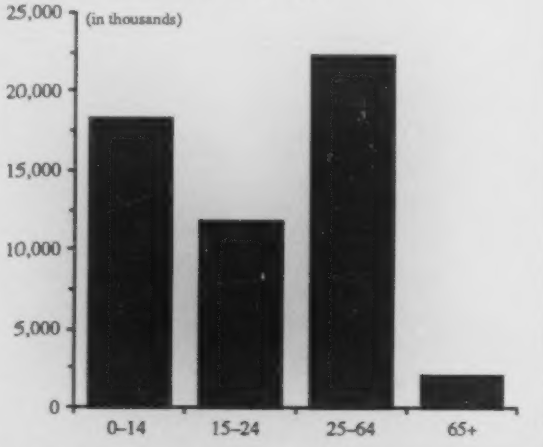
A more recent survey reports that 24.6 million persons were in the labor force, or 52 percent of the population in 1981. Nearly 99 percent of these people were employed, with only 1 percent unemployed. However, about 20 percent of all workers—or nearly 5 million—are underemployed.

Women fare better than men in Bangkok's professional world. Twelve percent of women versus 7 percent of men are professionals. They also hold a greater proportion of clerical and related jobs, [illegible]s positions, and service jobs than men do.

Thailand: Population by age group, 1970–1995



Thailand: Population by age group, 1988



take a quick look at Thailand

POPULATION DATA FOR 1988

Total population | **54,589,000**
Rate of population growth, calendar year 1988 (percent) | **1.7**
Lifetime births per woman (total fertility rate) | **2.8**
Birth rate (births per 1,000) | **24.6**
Death rate (deaths per 1,000) | **7.4**
Population under 15 (percent) | **33.6**
Population aged 65 or over (percent) | **3.9**
Median age | **22.4**
Percent of all women in fertile age group (aged 15–49) | **53.1**
Population density (number of persons per square kilometer) | **106**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **62/68**
Infant mortality rate (number of deaths per 1,000 live births) | **52**
Population per physician/per nurse | **6,307/2,140**
Daily calorie supply per capita (calories per person per day) | **2,462**

Education

Percent literate (male/female, total percent) | **92/84, 88**
Enrollment in secondary education as percent of age group (male/female) | **30/27**
Enrollment in higher education as percent of population aged 20–24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **71/10/19**
Percent of population of working age (aged 15–64) | **62**
Age-dependency ratio | **60**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **78**
Enrollment in secondary education as percent of age group | **27**
Percent of married women aged 15–49 using contraceptives | **65**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **17/83**

Population of major metropolitan areas

Bangkok | **4,998,000**

Chiang Mai | **105,000**

Average annual growth in urban areas, 1980–85 (percent) | **4.7**

Average annual growth in rural areas, 1980–85 (percent) | **1.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **800**

Unemployment (percent) | **3.5**

Turkey

THE CLIMBERS

At today's rate of population growth, Turks will outnumber all other European nationalities in about five years. Only the USSR will have a larger population in the area. Despite the legalization of abortion in 1983, Turkish women commonly bear four children, still a hefty brood even though women in the early 1960s commonly bore six children.

All these young Turks are making a government bent on industrialized prosperity very nervous. So shocked were government leaders at the results of the 1980 census that they called for a combination of public and private sector initiatives to promote family planning. Clinics will be set up in rural areas (where fertility rates are the highest) to dispense contraceptives. And in a pilot project, 13 factories will employ a doctor and nurse to provide family planning advice and supplies to workers, most of whom are women.

Turkish hopes for population control have a good chance of being realized. For one, they do not run counter to the aspirations of most women. In a recent survey, 80 percent said they wanted only three children. And most religious leaders have no objection to contraceptive measures other than sterilization and abortion. (IUDs and the pill are popular contraceptives.)

With these initiatives in mind, the U.S. Bureau of the Census's Center for International Research expects the average number of births per woman in Turkey to fall to 3.6 births by 1990 and to about 3 births by the year 2000. The population, however, will continue to grow rapidly as the large groups of youth born during periods of past high fertility entering their childbearing years. This population momentum will push Turkey's total population from its 1988 figure of 54.2 million people to 56.5 million in 1990 and to 68.5 million by the year 2000. By 2020, the population is expected to almost double.

Such demographic pressure presents Turkey with the enormous task of providing jobs and housing for large groups of youth entering their reproductive years and forming new families.

DEMOGRAPHIC PRESSURES STRAIN URBAN JOB MARKET AND HOUSING

Such demographic pressure presents Turkey with the enormous task of providing jobs and housing for large groups of youth entering their reproductive years and forming new families. Unfortunately, this is a problem that won't go away quickly. Turkey's population under age 15 now stands at about 37 percent of the population. This proportion will only decrease slightly to 36 percent of the population in 1990 and to about 34 percent by the year 2000. Adding the proportion of the population aged 15 to 24 in 1985 (nearly 18.3 percent), those under 25 make up nearly 55 percent of the total population.

These demands will be further complicated by the trend toward increased urbanization. At present, about 43 percent of Turkey's

See the December 1982 issue of ***International Demographics*** *for in-depth consumer information about Turkey. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

population live in urban areas and 57 percent live in rural areas. Population in urban areas will soon overtake population in rural areas, with 58 percent of the Turkish population projected to live in urban areas by the year 2000. By 2020, seven out of ten Turks will live in cities.

OECD'S FASTEST GROWING ECONOMY

Turkey was the OECD's fastest growing economy in 1986, an honor the OECD expects Turkey will retain in 1987. In 1986, Turkey's real GNP rose by 8 percent, almost three times the OECD average. But Turkey also had an enormous inflation rate of 34.6 percent that same year, with 15.5 percent unemployment. Exporters remained competitive with the falling value of the lira. However, Turkey's trade deficit is an ongoing problem, only partly boosted by invisibles such as tourism and worker remittances.

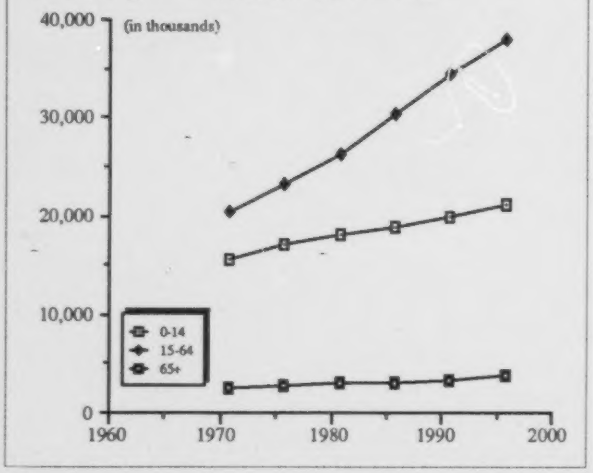
ONE OUT OF TWO TURKS ARE FARMERS

Turkey's total labor force numbered 17.9 million people in 1985. The number of those employed or looking for work is expected to increase from 18.6 million to about 21 million people by 1990.

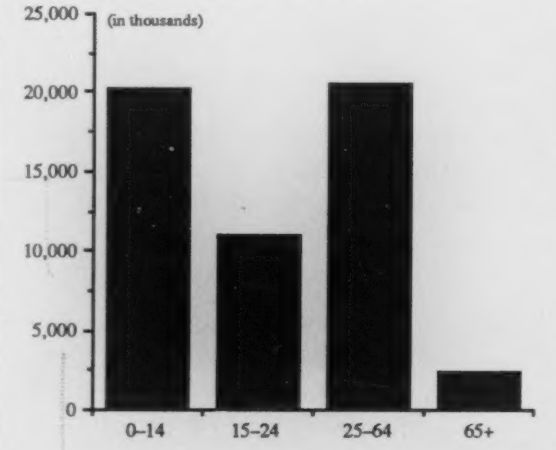
In 1984, 58 percent of the Turkish labor force worked in agriculture; 12.2 percent worked in mining and manufacturing; and 3.8 percent worked in construction. About 24 percent of workers held jobs in the wholesale and retail trade; transport, storage, and communications; finance, insurance, real estate; and community, social, and personal services.

A large proportion of the labor force is made up of those under age 20—21.6 percent in 1984—partly because of the agricultural nature of work in Turkey. Women accounted for about 36 percent of the labor force in 1984. Women worked mainly in agriculture or home-based businesses.

Turkey: Population by age group, 1970–1995



Turkey: Population by age group, 1988



take a quick look at Turkey

POPULATION DATA FOR 1988

Total population | **54,168,000**
Rate of population growth, calendar year 1988 (percent) | **2.2**
Lifetime births per woman (total fertility rate) | **3.8**
Birth rate (births per 1,000) | **30.4**
Death rate (deaths per 1,000) | **3.5**
Population under 15 (percent) | **37.4**
Population aged 65 or over (percent) | **4.3**
Median age | **21.0**
Percent of all women in fertile age group (aged 15–49) | **48.7**
Population density (number of persons per square kilometer) | **69**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **62 / 65**
Infant mortality rate (number of deaths per 1,000 live births) | **83**
Population per physician/per nurse | **4,616 / 1,240**
Daily calorie supply per capita (calories per person per day) | **3,167**

Education

Percent literate (male/female, total percent) | **81 / 50, 66**
Enrollment in secondary education as percent of age group (male/female) | **47 / 28**
Enrollment in higher education as percent of population aged 20–24 | **7**

Labor force

Percent of labor force in agriculture/industry/services | **58 / 17 / 25**
Percent of population of working age (aged 15–64) | **58**
Age-dependency ratio | **72**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **45**
Enrollment in secondary education as percent of age group | **28**
Percent of married women aged 15–49 using contraceptives | **51**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **43 / 57**
Population of major metropolitan areas
    Istanbul | **5,389,000**
    Ankara | **2,338,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.0**
Average annual growth in rural areas, 1980–85 (percent) | **1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,080**
Unemployment (percent) | **16.4**

Venezuela

THE CLIMBERS

Despite economic stagnation, Venezuela counts many first places in comparison to its Latin American counterparts. It continues to have the highest per capita GNP ($3,080 in 1987), the highest standard of living, and the highest per capita energy consumption. It also continues to be the second most important U.S. trading partner in Latin America after Mexico.

Venezuela is just coming out of a devastating economic crisis. Reduced oil income—down 30 percent since 1981—combined with debt-servicing and balance of payments problems were the major culprits in stalling economic growth. Government readjustment and austerity measures have helped ease the impact of reduced oil earnings. Oil earnings remain substantial, however, and Venezuela continues to be an important export market for the U.S.

ONE OF LATIN AMERICA'S FASTEST GROWING POPULATIONS

Between 1971 and 1981, only the populations of Guatemala, Honduras, Nicaragua, and Ecuador grew faster than the population of Venezuela. During this period, the Venezuelan population growth rate was 3.11 percent, down from the annual 3.61 percent of the period 1961 to 1971, and the incredible 3.72 percent a year during the 1950s.

Like most of its neighbors, Venezuela experienced rapid population growth in the 1950s due to high fertility and rapidly falling death rates. In the 1950s and 1960s, the average Venezuelan woman bore 6.5 children. By 1985, the average number of lifetime births per woman had fallen to 4.1, though still high above the 2.1 children needed for a population to replace itself.

Urban growth outstripped population growth, averaging 5.8 percent annually during the period 1950 to 1980. By 1981, 84 percent of Venezuelans lived in urban areas.

> ***Venezuela has the highest per capita GNP, the highest standard of living, and the highest per capita energy consumption in Latin America.***

Venezuela's current population of 18.8 million people is projected to more than double by 2025, rising to 24.7 million people by the year 2000 and to nearly 38 million by 2025. Because of Venezuela's youthful population (39 percent of the 1988 population are under age 15), great pressure is already being put on city job markets and housing for new families, as Venezuela's disproportionate numbers of youth enter childbearing ages. This trend will continue well into the 1990s.

Increased joblessness primarily affects young men entering the workforce. The official unemployment rate for metropolitan Caracas was 6 percent in 1980 and 5.7 percent in 1981. Since then, unemployment has been on the rise. The unemployment rate for men aged 15 to 24 in metropolitan Caracas reached more than 20 percent in 1983.

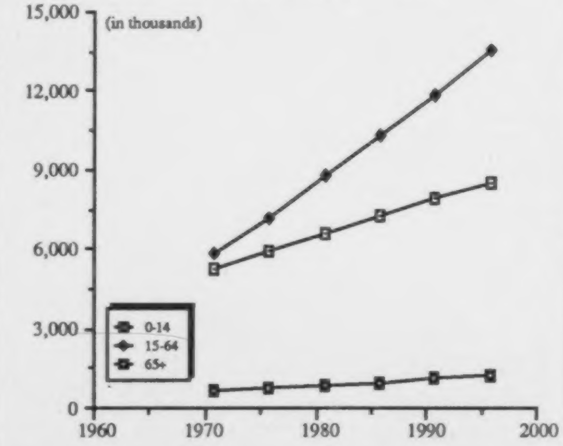
*See the June 1985 issue of **International Demographics** for in-depth consumer information about Venezuela. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

THE HIGH LIFE

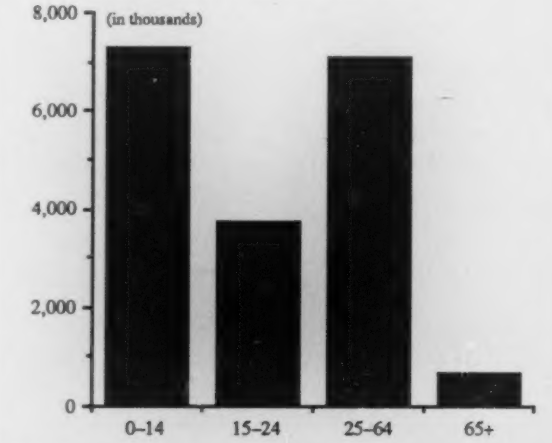
Relatively high incomes give Venezuelans access to an "American" lifestyle. One in every eight Venezuelans owns a private car. In 1980, 94 percent of all homes had a radio and 79 percent owned a TV. In that same year, Venezuelans spent nearly $1.6 billion on tourism abroad.

Venezuelans have high incomes by Latin American standards. However, income inequality is great. Thirty-seven percent of families in metropolitan Caracas, 46 percent of those in urban Venezuela, and 80 percent in the rural areas live below the poverty level. In 1980, the median wage for urban workers was $400 a month. Total household incomes amounted to $895 per month in metropolitan Caracas, $752 in urban Venezuela as a whole, and $376 in rural areas.

Venezuela: Population by age group, 1970–1995



Venezuela: Population by age group, 1988



take a quick look at Venezuela

POPULATION DATA FOR 1988

Total population | **18,776,000**
Rate of population growth, calendar year 1988 (percent) | **2.5**
Lifetime births per woman (total fertility rate) | **3.8**
Birth rate (births per 1,000) | **30.6**
Death rate (deaths per 1,000) | **5.5**
Population under 15 (percent) | **38.8**
Population aged 65 or over (percent) | **3.6**
Median age | **20.5**
Percent of all women in fertile age group (aged 15–49) | **50.1**
Population density (number of persons per square kilometer) | **21**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **66 / 73**
Infant mortality rate (number of deaths per 1,000 live births) | **39**
Population per physician/per nurse | **830 / 336**
Daily calorie supply per capita (calories per person per day) | **2,583**

Education

Percent literate (male/female, total percent) | **86 / 83, 85**
Enrollment in secondary education as percent of age group (male/female) | **40 / 49**
Enrollment in higher education as percent of population aged 20–24 | **23**

Labor force

Percent of labor force in agriculture/industry/services | **16 / 28 / 56**
Percent of population of working age (aged 15–64) | **58**
Age-dependency ratio | **73**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **32**
Enrollment in secondary education as percent of age group | **49**
Percent of married women aged 15–49 using contraceptives | **49**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **73 / 27**
Population of major metropolitan areas
    Caracas | **2,993,000**
    Maracaibo | **889,000**
Average annual growth in urban areas, 1980–85 (percent) | **3.5**
Average annual growth in rural areas, 1980–85 (percent) | **-1.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **3,080**
Unemployment (percent) | **14.0**

THE ULTIMATE CONSUMERS

Gone are the days when there was only one type of iron, washing machine, or coffee pot on the market. For the most part, the Ultimate Consumers have exhausted the market for the Three Cs—the majority of their populations have cars, coolers (air conditioners), and color televisions. They are now the producers of these goods and others which are used in their daily lives.

These countries value high-quality consumer imports and, in many cases, producer imports, such as machinery or raw materials. Price is extremely elastic in these countries, which are accustomed to a wide array of choice. People are well-educated, have relatively high disposable incomes, and have easy access to basic necessities. They can often afford highly attractive imports.

Although the natural population growth in these countries is slowing, they are so wealthy by international standards that they attract thousands of immigrants every year—some legally and some illegally. Most of their birth rates are near replacement level, but even if birth rates dropped far below replacement level, their populations will continue to grow if immigration remains unchecked.

A WIDE ARRAY OF AFFLUENCE

Southern European countries such as Italy, Spain, Greece and Yugoslavia constitute the least affluent countries in this cluster. They are still modernizing their industries and trying to raise standards of educational attainment. They are relatively more dependent on agriculture, and provide the migrant workers who usually settle in more prosperous northern European countries. These emigrants work away from home mainly as unskilled laborers in order to send money to their families and provide them with a better lifestyle.

In more affluent countries, the proportion of those aged 65 and older is growing rapidly—although those of working age still dominate—causing a boom in the health care industry. The proportion of those aged 20 and under is decreasing slightly in most of these countries, reducing the number of entry-level workers and forcing colleges and universities to re-evaluate their admissions and financial aid policies. In some countries, more students are getting a chance to attend university. In other countries, foreign students have boosted declining enrollments.

CHANGING FAMILY PATTERNS SET THE TRENDS

Changes in family formation and the status of women have affected household wealth significantly. As women take more control over their lives with the widespread availability of birth control, they have fewer children, are more likely to be in the labor force full or part-time, and have fewer ties to "Kinder, Kuche, und Kirke"—children, kitchen, and church.

Educational attainment has been influential in shaping these trends. Women who have invested much of their young lives in gaining an education are less willing to leave the workforce for extended childrearing. Increasingly, women leave the workforce for shorter periods and juggle work and home. Families in which both parents are working and caring for children have a host of new needs. For them, time is money. This new type of family fuels the demand for fast foods, for convenience-oriented supermarkets and stores stocking everything from diapers to videos and pharmaceuticals, for house-cleaning services, and for child care.

Families expect to find banks, doctors' offices, and even beauty parlors open early and late. They visit dental, eye, and medical clinics that take walk-ins and deal with their needs efficiently and quickly. Even in a city like Paris, where sitting in a sidewalk cafe for hours is common practice, *boulangeries* carry a variety of prepared foods like lasagna and stuffed peppers that can be taken home and popped into the oven by the busy householder.

Smaller families mean more disposable income per family member. With rising means, family members look for ways to express their own tastes. Stores selling Japanese bonsai and futons are found in many major western cities. Even "exotic" imports such as Scandinavian glass and Persian rugs are considered the norm for some segments of the population.

Households are being formed in increasing number and variety. Families are becoming increasingly complex, as men and women may set up two or even three households in the course of their lives as a result of multiple marriages. Small families can become extended when two divorced people marry and combine each of their own children under one roof. Businesses need to understand these new types of households in order to meet their changing needs.

WOMEN SET THE PACE OF CHANGE

What the feminist revolution did for changing the way women in these countries see themselves, the jobs revolution will do for the way the rest of the world sees them. Women of the 1980s are increasingly choosing medicine, law, banking, and insurance as their professions. And for the adventurous 1980s woman, entrepreneurship is a growing attraction. Over 25 percent of small businesses in the U.S. are owned by women. Canadian women do even better, owning a third of all small Canadian businesses.

The demographic picture will further propel women—especially married women—into full-time work as the youthful labor pool shrinks with falling birth rates. Well-educated women will increasingly enter formerly male-dominated professions and higher ranks of industry, especially the fast-growing information industry and financial services. No matter where women work, the full-time commitments they make will further change family patterns and buying habits.

CHANGING TASTES FOR AGING POPULATIONS

As people from these countries move into middle age, no matter what continent they live on, they worry more about their diets, their careers, and what they will leave behind. The children of the 1960s had little to protect. They wanted change. The parents of the 1980s have children, homes, careers, and for an increasing number of them, the status quo has become acceptable. Many have begun to look for safe investments, comfortable homes, cars with luxuries, and vacations in unusual places.

▮

Argentina

THE ULTIMATE CONSUMERS

Argentina has been regressing economically for sixty years. The world's seventh wealthiest country in 1920, Argentina now does not rank in the world's fifty wealthiest countries. Average incomes in Argentina are back to where they were in 1965 after real GDP growth fell in five of the last eight years. Per capita income has fallen by 16 percent since 1979.

What happened? The boom created by European demand for Argentinean beef and grain in the late 19th century ended in the 1920s when Common Market agricultural subsidies sidelined the beef trade and cut heavily into grain exports. Profits from the good years were spent instead of invested or saved, and Argentina increasingly borrowed to subsidize cities once agricultural exports declined. As a result, the country now owes $50 billion to foreign creditors.

POPULATION GROWTH UNDER CONTROL

Although Argentina's economic picture is disturbing, its demographic situation is one of Latin America's best. A low population growth rate combined with abundant natural resources has meant that almost everyone at least eats well. Argentina's 1980 census population count was 27.9 million people, an increase of 17 percent from the 232.8 million people counted in 1970. The average annual rate of increase was 1.5 percent a year. With the exception of Uruguay, this was the lowest rate of increase in continental Latin America.

Slow growth is also in Argentina's future. Argentina's 1988 population of 31.5 million people is projected to rise to 32.8 million by 1990 and 37.2 million by the year 2000. The Argentinean government is not pleased with these prospects, however, believing that a larger population is necessary to develop natural resources and a domestic market.

> ***Although Argentina's economic picture is disturbing, its demographic situation is one of Latin America's best.***

OLD FOR LATIN AMERICA, YOUNG FOR ULTIMATE CONSUMER COUNTRIES

Argentina's population is relatively old by Latin American standards, but is fairly young compared to European countries. Only 30 percent of Argentinians are under age 15 as compared with 45 percent of Mexicans. Its median age of 27.8 years is not much younger than the median age of 30 in the U.S. Argentina's median age is projected to rise to 31.2 by the year 2020.

In 1980, 30 percent of the Argentinean population was aged 15 or under, 58 percent was aged 15 to 59, and 12 percent was over 60. Argentina's population is aging. However, it is doing so at a much slower rate than

See the May 1984 issue of International Demographics for in-depth consumer information about Argentina. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

many European countries. By the year 2000, 13.2 percent of the population will be over 60 and by 2020 this proportion will rise to 14.7 percent of the total population.

NUCLEAR FAMILY DOMINATES

The 1980 census recorded 7.1 million Argentine households. The average number of persons per household was 3.9, compared to 2.7 in the U.S. Eleven percent of households had only one person, and 19 percent had two people, in contrast to 23 percent and 32 percent, respectively, in the U.S. Eighteen percent of households have 6 or more members, as opposed to only 5 percent of households in the U.S.

The majority of Argentine households in 1980 consisted of a married couple and children—2.9 million households. In 1980, 59 percent of all households had at least one parent with children and 24 percent were extended families, with relatives other than the parents and children living under the same roof. Only 20 percent of households had no children.

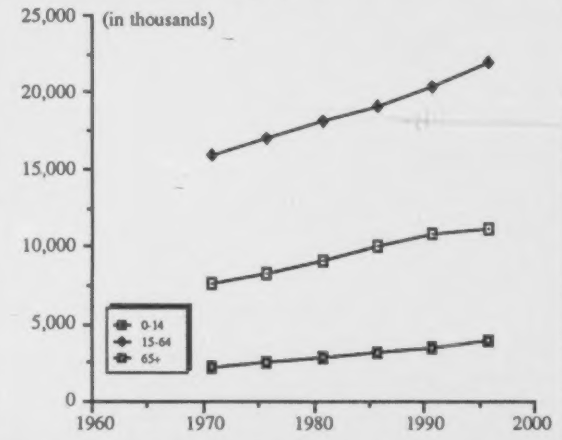
WOMEN KEEP UP WITH MEN IN EDUCATION

Argentina's literacy rate, at about 94 percent, is one of Latin America's highest. And educational attainment is shared almost equally between the sexes. Enrollment rates for males and females are almost identical in every age category.

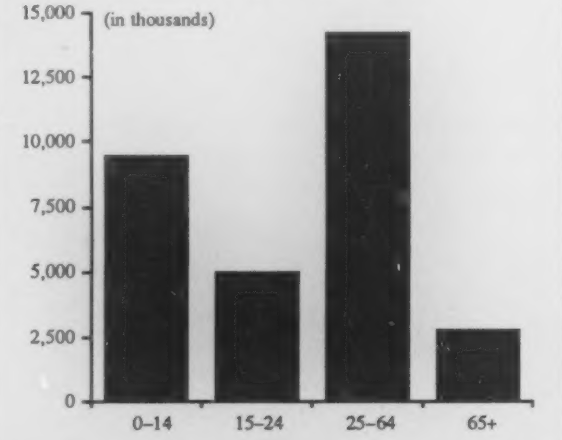
Among children aged 5 to 9, 85 percent of both boys and girls in 1980 were enrolled in school. At 10 to 14 years of age, 88 percent of girls and 90 percent of boys were enrolled. Equality did not falter at the higher levels, either. About half of all students in higher education in 1980 were women.

Young women are slightly more likely than young men to complete advanced courses of study, however. Eighteen percent of women and 14 percent of men aged 20 to 24 had done so in 1980. Among persons aged 25 to 29 in 1980, 7 percent of women and 5 percent of men had a post-secondary degree.

Argentina: Population by age group, 1970–1995



Argentina: Population by age group, 1988



take
a
quick
look
at Argentina

POPULATION DATA FOR 1988

Total population | **31,533,000**
Rate of population growth, calendar year 1988 (percent) | **1.2**
Lifetime births per woman (total fertility rate) | **2.9**
Birth rate (births per 1,000) | **20.6**
Death rate (deaths per 1,000) | **8.7**
Population under 15 (percent) | **30.0**
Population aged 65 or over (percent) | **8.9**
Median age | **27.8**
Percent of all women in fertile age group (aged 15–49) | **47.0**
Population density (number of persons per square kilometer) | **11**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **67 / 74**
Infant mortality rate (number of deaths per 1,000 live births) | **33**
Population per physician/per nurse | **388 / 392**
Daily calorie supply per capita (calories per person per day) | **3,221**

Education

Percent literate (male/female, total percent) | **94 / 94, 94**
Enrollment in secondary education as percent of age group (male/female) | **66 / 75**
Enrollment in higher education as percent of population aged 20–24 | **36**

Labor force

Percent of labor force in agriculture/industry/services | **13 / 34 / 53**
Percent of population of working age (aged 15–64) | **61**
Age-dependency ratio | **64**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **32**
Enrollment in secondary education as percent of age group | **75**
Percent of married women aged 15–49 using contraceptives | **74**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **85 / 15**
Population of major metropolitan areas
    Buenos Aires | **10,750,000**
    Cordoba | **982,000**
Average annual growth in urban areas, 1980–85 (percent) | **2.0**
Average annual growth in rural areas, 1980–85 (percent) | **-0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,130**
Unemployment (percent) | **5.7**

Australia

THE ULTIMATE CONSUMERS

Internal migration and immigration are critical factors in the continued population growth of Australia. While most industrial countries have growth rates of less than 1 percent, Australia's growth rate is nearly 1.2 percent and is expected to remain above 1 percent until the turn of the century. With a population density of only 2 persons per square kilometer, Australia has the room to grow. At the same time, it is economically stable enough to plan for future job creation and for the development of infrastructure.

The fastest-growing populations live in the Northern Territory, Australian Capital Territory, Queensland, and Western Australia—in other words, the east and west coasts and the seat of government.

While Australia has for many decades been an attractive destination for Europeans seeking new opportunities, it is now a land of opportunity for Asians. Between 1984 and 1985, immigration from China, Hong Kong, and India increased substantially. Asian immigrants accounted for nearly 46 percent of all settler arrivals in 1985.

Because Australia's immigrants are generally younger than its resident population, they contribute to a continued high birth rate. At 15.5 births per thousand, Australia has one of the highest birth rates among the Ultimate Consumer countries.

The marketing research and advertising industries are well-developed in Australia and they are supported by mapping and data companies that provide detailed information for marketing, direct mail, retailing, and consumer goods distribution.

> ***While Australia has for many decades been an attractive destination for Europeans seeking new opportunities, it is now a land of opportunity for Asians.***

AGE DISTRIBUTION

With a median age of 31.5 years, Australia is one of the youngest countries among industrialized nations. Nearly a quarter of its population is under age 15. The 15-to-24 year old group accounts for nearly 17 percent of the population, a healthy pool from which to draw university students and labor force entrants. Thirty-five percent of its population is in the 29-to-44 year old group, the primary group for settling into new households.

Australians are concerned about the degree of youth joblessness in their country. About 92 percent of eligible boys and 95 percent of eligible girls are enrolled in secondary school. Now the schools focus primarily on college-oriented youth. Students who wish to learn a vocation have relied on an ap-

*See the March 1983 issue of **International Demographics** for in-depth consumer information about Australia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

prenticeship system. However, recently the apprenticeship system has been less popular and there is little to take its place. Recent reports have recommended that the high school curriculum be broadened and that more opportunities be offered in vocational education, especially for young women.

As a result, there may be marketing opportunities for film strips, programmed learning materials, videotapes, and training films, as well as an interest in teacher-training for vocational education.

CONSUMPTION PATTERNS

Consumption in Australia is guided by several trends. A maturing population is one of them; smaller households is another. As in some other developed countries, there is a growing concern over eating well and taking care of physical health. While consumer expenditures on food, rent, clothing and footwear, household appliances, and other household durables increased between 1980 and 1984, spending on alcoholic drinks and tobacco decreased.

Labor-saving devices are greatly in evidence. Ninety-eight percent of households own a refrigerator, 90 percent own a washing machine, 92 percent a vacuum cleaner. The majority of households have a telephone, a television, and radios are two and three to a household.

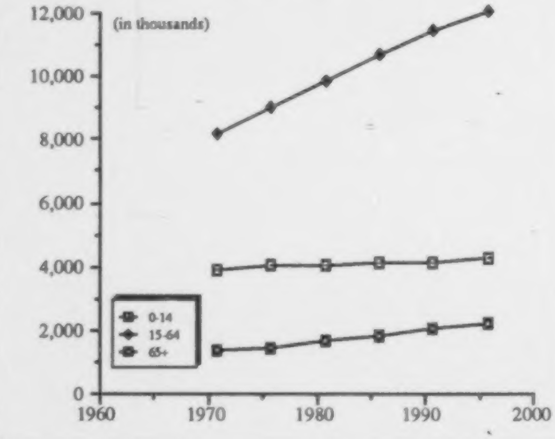
With an annual per capita GNP of $10,830, and 54 percent of its women aged 15-64 in the labor force, Australia relies on many two-income households for a high standard of living. Workers in agriculture represent only 7 percent of the work force; services employ 61 percent of the work force.

HOW THE ELDERLY SPEND

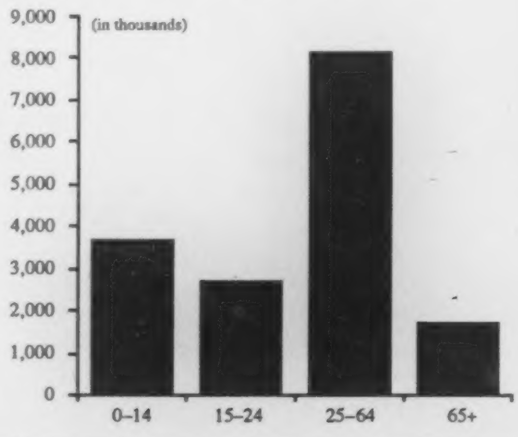
Despite Australia's large youthful segment, its older population is an important influence on the marketplace. A quarter of all Australians are now age 50 and over, and one in eight is age 65 and older. Those aged 50 and older spend more than $9 billion (Australian) annually on goods and services.

A 1985 Grey Growth Survey in Australia found that of those aged 50 to 64, more than 30 percent had incomes of at least $18,000 compared with the 1985 average household income of $20,500. However, only 4 percent of the retired over age 50 had incomes higher than $18,000.

Australia: Population by age group, 1970–1995



Australia: Population by age group, 1988



take a quick look at Australia

POPULATION DATA FOR 1988

Total population	**16,260,000**
Rate of population growth, calendar year 1988 (percent)	**1.2**
Lifetime births per woman (total fertility rate)	**1.9**
Birth rate (births per 1,000)	**15.5**
Death rate (deaths per 1,000)	**7.6**
Population under 15 (percent)	**22.7**
Population aged 65 or over (percent)	**10.7**
Median age	**31.5**
Percent of all women in fertile age group (aged 15–49)	**52.1**
Population density (number of persons per square kilometer)	**2**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female)	**73/79**
Infant mortality rate (number of deaths per 1,000 live births)	**8**
Population per physician/per nurse	**500/100**
Daily calorie supply per capita (calories per person per day)	**3389**

Education

Percent literate (male/female, total percent)	**100/100, 100**
Enrollment in secondary education as percent of age group (male/female)	**92/95**
Enrollment in higher education as percent of population aged 20–24	**27**

Labor force

Percent of labor force in agriculture/industry/services	**7/32/61**
Percent of population of working age (aged 15–64)	**67**
Age-dependency ratio	**50**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force)	**54**
Enrollment in secondary education as percent of age group	**95**
Percent of married women aged 15–49 using contraceptives	**67**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **86/14**

Population of major metropolitan areas

- Sydney | **3,396,000**
- Melbourne | **2,852,000**

Average annual growth in urban areas, 1980–85 (percent) | **1.2**

Average annual growth in rural areas, 1980–85 (percent) | **1.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **10,830**

Unemployment (percent) | **7.9**

Austria

THE ULTIMATE CONSUMERS

Austria is one of the few Western European countries that is not highly urbanized. In fact, only 55 percent of its population live in urban areas. While marketers might think that half the population can be reached by marketing in these cities, the size of the country, the prevalence of national newspapers, and accessible distribution systems mean that, in fact, most of the population can be reached, whether in rural or urban areas.

BIRTH RATES ARE DOWN, BUT YOUTH HOLD THEIR OWN

While the birth rate in Austria has declined to 12 births per thousand, those aged 15 and under still make up nearly 18 percent of the population. Those aged 65 and over are about 15 percent of the population. The median age is 35.7 years. The total fertility rate (births per woman) is 1.5, well under the replacement level of 2.1, and Austria's population is soon to follow the trend towards rapid aging set by most of the Western European countries. Austria's 1988 population of about 7.6 million people will remain relatively stable well into the twenty-first century.

As in Ireland, women are taking better advantage of opportunities in secondary education than men at the current time. While 73 percent of eligible young men are enrolled in secondary education, 79 percent of young women of the same age group are enrolled. About 26 percent of the population aged 20 to 24 is enrolled in higher education.

WORKING WOMEN ARE IMPORTANT TREND

For a country that is still relatively rural, women are an important part of the labor force. Women make up forty-one percent of the labor force, according to the most recent data from the OECD. This compares with 31 percent being reported by the International Labor Office in 1984. Fifty-one percent of women aged 15-64 work, one of the highest rates outside of the Scandinavian countries.

> ***...Austria's population is soon to follow the trend towards rapid aging set by most of the Western European countries.***

Austria has a well-educated and well-trained labor force and the involvement of women in secondary education contributes to it. In 1987, 9 percent of its labor force worked in agriculture, 41 percent in industry, and 50 percent in services. The rural areas provide winter and summer jobs in mountain and ski resorts, and many women work in family-owned businesses.

Austria's workforce has weathered recessions fairly well and the unemployment rate has hovered around the 4 percent mark while

*See the July 1985 issue of **International Demographics** for in-depth consumer information about Austria. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

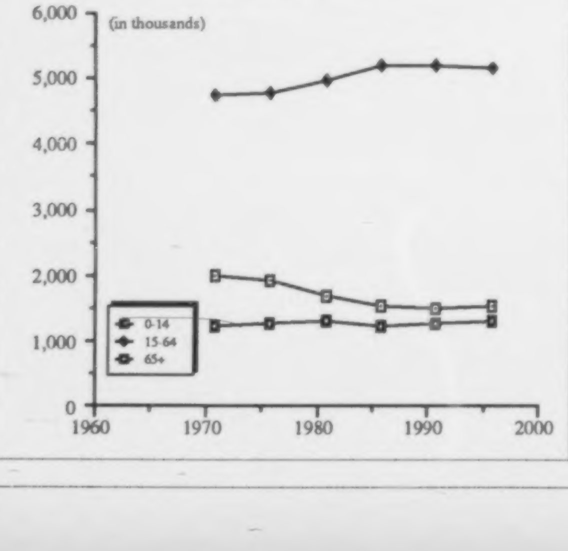
some larger Europeans nations have faced unemployment rates as high as 10 to 13 percent. This country has successfully used foreign workers when they are needed to fill jobs, but has limited their entry during times of economic slowdown.

While its economy has been relatively stable, Austrians still have a modest standard of living. The per capita GNP is estimated at $9,120, in the same range as the United Kingdom. Indeed, Austrians own passenger cars in relatively the same proportion as people in Belgium, The Netherlands, and Norway—at one car for approximately every three people.

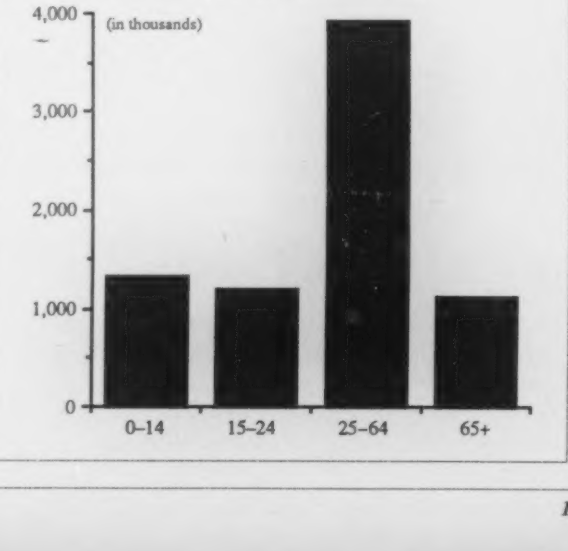
HOUSEHOLD GROWTH CONTINUES

As in most industrialized nations, the number of households in Austria continues to grow, while the size of individual households is on the decline. Even though Austrians place a high value on children and family life, the divorce rate has continued to rise. Divorces peaked in 1982, however, and have dropped off slightly since then.

Austria: Population by age group, 1970–1995



Austria: Population by age group, 1988



take a quick look at Austria

POPULATION DATA FOR 1988

Total population | **7,577,000**
Rate of population growth, calendar year 1988 (percent) | **0.1**
Lifetime births per woman (total fertility rate) | **1.5**
Birth rate (births per 1,000) | **12.0**
Death rate (deaths per 1,000) | **11.6**
Population under 15 (percent) | **17.6**
Population aged 65 or over (percent) | **14.8**
Median age | **35.7**
Percent of all women in fertile age group (aged 15–49) | **49.1**
Population density (number of persons per square kilometer) | **90**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 79**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **436 / 170**
Daily calorie supply per capita (calories per person per day) | **3,514**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **73 / 79**
Enrollment in higher education as percent of population aged 20–24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **9 / 41 / 50**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **48**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **51**
Enrollment in secondary education as percent of age group | **79**
Percent of married women aged 15–49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **55 / 45**

Population of major metropolitan areas

- Vienna | **2,044,000**
- Linz | **435,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.5**

Average annual growth in rural areas, 1980–85 (percent) | **-0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **9,120**

Unemployment (percent) | **4.8**

Belgium

THE ULTIMATE CONSUMERS

Unlike neighboring Luxembourg, Belgium struggles like much of the rest of Europe with high unemployment rates as the industrial-based economy shifts to a service-based economy. Belgium has approximately 10 million people, compared with less than a half a million in Luxembourg, and 14 million in The Netherlands.

Belgium provides a concentrated market. Its 9.9 million people are squeezed into only 30,518 square kilometers. Consequently, Belgium has the highest density in Europe outside of The Netherlands—323 people per square kilometer. In addition to the two major cities of Brussels and Antwerp, there are three cities with populations of more than 200,000—Ghent, Charleroi, and Liege.

The Belgians are officially bilingual, speaking French and Flemish. Products and services need to be advertised and labelled in both languages. While that might seem straightforward—especially if a firm does business in The Netherlands and France as well—it isn't as simple as it sounds. Belgium is a unique market, and simply translating advertising messages from the Dutch or the French campaigns will not do.

A liberal government policy gives Belgium the world's largest cable network. Seventy percent of the 3.6 million households have television access to about two dozen channels in six languages including English.

SHIFTING CENTER OF POWER

> ***Women play an important role in the labor force in Belgium. About 39 percent of the labor force are female and approximately 45 percent of women work.***

Belgium's urban character isn't about to change. But the economic center of the country is shifting and with it, the population concentration. In the southern part of the country, Wallonia (the French-speaking sector) has dominated the economy for more than a century because of strong coal mining and steelmaking industries. But other forms of energy, cheaper iron and steel imports from Japan and South Korea, and a slowdown in government subsidies have helped to cause unemployment in such cities as Charleroi. High-tech and nontraditional industries have sprouted in Flanders, shifting the center of political and economic power to the Dutch-speaking northern area. Antwerp, the leading port city, is also in the north, adding to the strength of that area.

The economy has also made a shift toward services. About two-thirds of the labor force—or 2.4 million people—are employed in the services sector. The growth of that sector has stabilized in the past three years, but services experienced spectacular growth

*See the September 1986 issue of **International Demographics** for in-depth consumer information about Belgium. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

throughout the 1970s. In 1970, only 2 million people worked in services. Also in that year, about 3 percent of the population work in agriculture, leaving 36 percent employed in industry.

Women play an important role in the labor force in Belgium. About 39 percent of the labor force are female and approximately 45 percent of women work, which is similar to the figures in other well-developed countries. The female percentage of the labor force is expected to continue its increase, and the government has also raised the official retirement age for women from age 60 to 65.

FOOD CONSUMPTION LEADS EXPENDITURES

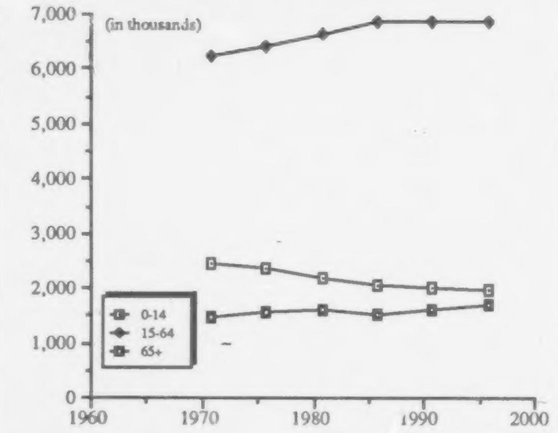
In most industrialized countries, one of three categories—food, housing, or transportation —leads expenditures. In Belgium, the leading expenditure is food. One reason lies with Belgium's small agricultural base. Belgium must import many foods from other European Community members. Food takes 18.6 percent of the family budget, followed by rent, heating, and light at 17.7 percent. Other large expenditures are for furniture and furnishings at 12.2 percent, and transportation and communication at 12.7 percent. Together beer and wine account for 63 percent of total consumer expenditures in the beverage category. Mineral water and carbonated soft drinks account for only about 22 percent.

While some spending has shifted with the changing age structure in Belgium, the share of overall expenditures in various categories has remained remarkably stable. Thus, it is possible to look at distribution figures even from the late 1970s or early 1980s to get some indication of how Belgians spend their money. Even in the area of health care—where expenditures have soared in some countries—there has been little change. In 1979, Belgians spent 9 percent of their consumer dollars on health care. In 1983, they spent 9.2 percent of their budgets on health care.

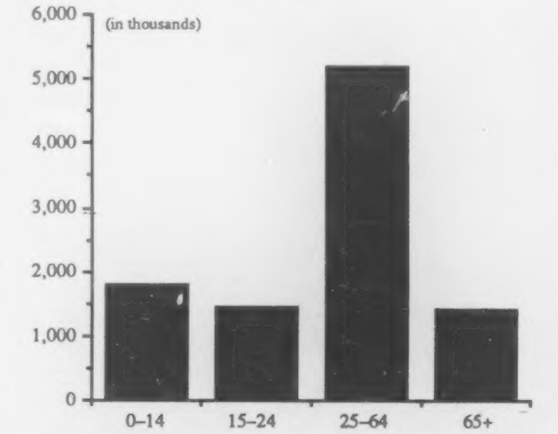
HOUSEHOLDS ARE SHRINKING

Household size is declining in Belgium because the population is aging, divorce has taken its toll, and families are having fewer children. The largest households are found in the northeast and in central Flanders, the core of the Ardennes, and the southern part of German-speaking Wallonia. In other communities—the suburbs of Ghent and Antwerp, southern Louvain and northern Namur, larger household sizes are attributed to the high proportion of young married couples. Even so, singles account for 25 percent of the Belgian population.

Belgium: Population by age group, 1970–1995



Belgium: Population by age group, 1988



take a quick look at Belgium

POPULATION DATA FOR 1988

Total population | **9,881,000**
Rate of population growth, calendar year 1988 (percent) | **0.1**
Lifetime births per woman (total fertility rate) | **1.6**
Birth rate (births per 1,000) | **12.1**
Death rate (deaths per 1,000) | **11.3**
Population under 15 (percent) | **18.2**
Population aged 65 or over (percent) | **14.3**
Median age | **35.9**
Percent of all women in fertile age group (aged 15–49) | **47.9**
Population density (number of persons per square kilometer) | **324**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 79**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **360 / 130**
Daily calorie supply per capita (calories per person per day) | **3,679**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **88 / 94**
Enrollment in higher education as percent of population aged 20–24 | **31**

Labor force

Percent of labor force in agriculture/industry/services | **3 / 36 / 61**
Percent of population of working age (aged 15–64) | **67**
Age-dependency ratio | **48**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **40**
Enrollment in secondary education as percent of age group | **94**
Percent of married women aged 15–49 using contraceptives | **81**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **96 / 4**
Population of major metropolitan areas
  Brussels | **982,000**
  Antwerp | **488,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.3**
Average annual growth in rural areas, 1980–85 (percent) | **-4.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **8,280**
Unemployment (percent) | **13.2**

Canada

THE ULTIMATE CONSUMERS

With 26 million people spread over a land area of nearly 10 million square kilometers, Canada has only 3 people per square kilometer. Only Australia has a lower population density in this cluster. But, because the population is concentrated on the east and west coasts, marketers can reach more than 60 percent of Canadian population just by looking at the provinces of Quebec and Ontario (both on the East Coast). If the populations of Alberta and British Columbia are added to the two eastern provinces, 82 percent of the population are covered.

A MINIATURE EUROPE

One of the ways Canada differs from other North American countries is that it has two official languages. Quebec is a French-speaking province, and indeed, the national government functions in two languages. In Quebec only about 13 percent of the population claim English as its mother tongue, while 83 percent claim French, and 5 percent claim some other language. In the other provinces and territories, the reverse is true. About 88 percent of the population claim English as its native language, only 4 percent claim French, and about 8 percent claim another language. Marketers must view Quebec as a separate market for product development and advertising messages.

THE CANADIAN BABY BOOM

The post-war baby boom has a substantial effect on Canada, but the age structure is also affected by immigration. Immigrants to Canada are younger, on the average, than natives. Consequently, the median age in Canada is about one year lower than in the U.S. While Canada's policymakers worry about how they will provide health care to the elderly in the twenty-first century, they still have about 21 percent of the population under age 15. Only about 11 percent of the population is aged 65 and over, much lower than in many industrialized countries. Because of international migration and the baby boom, primary growth is occurring among the age groups in which people are marrying, having families, and pursuing their careers.

> ***Because of international migration and the baby boom, primary growth is occurring among the age groups in which people are marrying, having families, and pursuing their careers.***

Montreal and Toronto, Canada's two largest cities, show great prosperity. Even though they are different markets because of the language differences, they share certain similarities. Gentrification is apparent in older areas in the city as young professionals move back to the cities. Some of these people will

*See the October 1987 issue of **Consumer Markets Abroad** and the June 1982 issue of **International Demographics** for in-depth consumer information about Canada. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

no doubt remain in the city when they begin having children, but others will migrate toward the suburbs. Thus, the suburbs can expect to continue to be the scene of growth—particularly in household services and furnishings as well as in youth items.

USE OF TIME

Because of its age structure and geography, Canada appears to be a good market for leisure-time and outdoor items. Time-use studies show how active Canadians really are. Overall, for example, Canadians spend less time watching television than people in either the United States or Japan. Japanese residents spend about 24 hours a week and U.S. residents spend about 17 hours a week watching television. In Canada, the average is only 13 hours a week, which includes the 17 hours that 55-to-64 year olds spend and the 20 hours that those aged 65 and over spend. The average 25-to-44 year old spends only about 12 hours a week viewing television.

Not surprisingly, single people spend more time with their TV set than do couples with children, and employed women spend the least time of any group. Employed women spend only about 9 hours a week on TV; homemakers, 14 hours a week; and other women, 15 hours a week. Thus, television advertising time in Canada must be chosen carefully if the target is the employed female.

PROVINCIAL DIFFERENCES

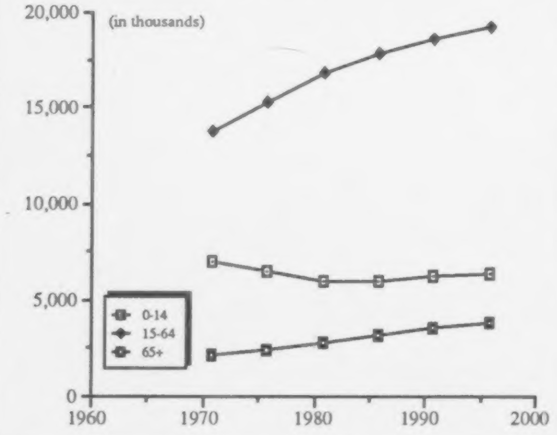
Canadian lifestyles differ substantially by province. For example, on Prince Edward Island, in Nova Scotia, and in New Brunswick, the primary method of heating homes is oil or other liquid fuels, whereas in Manitoba, Saskatchewan, and Alberta, homes are more likely to be heated with piped gas.

In Ontario, Manitoba, Alberta, British Columbia, more than a quarter of all households do not have an electric washing machine. In Alberta, about 50 percent of households own an automatic dishwasher, whereas in Quebec and Ontario, only about a third of households have this appliance. Ownership of microwave ovens in Canada increased from only 10 percent of households in 1982 to 16 percent of households in 1984, but in Saskatchewan and Alberta, more than a quarter of households have a microwave.

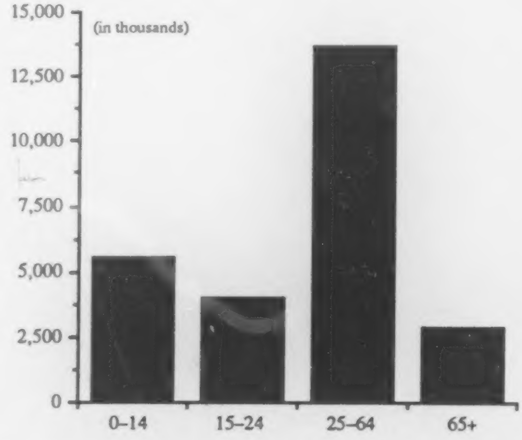
These statistics can be misleading, however. For example, nearly 33 percent of households in Alberta own a microwave, but that amounts to only about 271,000 households, whereas in Quebec where only 8.2 percent of households own a microwave, 499,000 households are involved.

NOTE: For more detailed information on Canada, see Canadian Consumer Outlook, *an in-depth Special Report from American Demographics, Inc.*

Canada: Population by age group, 1970–1995



Canada: Population by age group, 1988



take a quick look at Canada

POPULATION DATA FOR 1988

Total population | **26,088,000**
Rate of population growth, calendar year 1988 (percent) | **0.9**
Lifetime births per woman (total fertility rate) | **1.7**
Birth rate (births per 1,000) | **14.5**
Death rate (deaths per 1,000) | **7.3**
Population under 15 (percent) | **21.1**
Population aged 65 or over (percent) | **11.1**
Median age | **32.4**
Percent of all women in fertile age group (aged 15–49) | **53.1**
Population density (number of persons per square kilometer) | **3**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73 / 81**
Infant mortality rate (number of deaths per 1,000 live births) | **7**
Population per physician/per nurse | **550 / 120**
Daily calorie supply per capita (calories per person per day) | **3,432**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **102 / 102**
Enrollment in higher education as percent of population aged 20–24 | **44**

Labor force

Percent of labor force in agriculture/industry/services | **5 / 29 / 65**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **47**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **61**
Enrollment in secondary education as percent of age group | **102**
Percent of married women aged 15–49 using contraceptives | **73**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **76 / 24**
Population of major metropolitan areas
    Toronto | **2,972,000**
    Montreal | **2,827,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.1**
Average annual growth in rural areas, 1980–85 (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **13,680**
Unemployment (percent) | **10.5**

Chile

THE ULTIMATE CONSUMERS

Chile's future looked bright in the late 1970s. Per capita GNP of $800 in 1975 had risen steadily to $2,160 in 1982. But 1982 was the year that Chile's debt drama began.

Chile is one of Latin America's most heavily indebted countries. It owed $21 billion in 1985. Only Brazil ($107 billion), Mexico ($99 billion), Argentina ($50.8 billion), and Venezuela ($33 billion) owed more. Debt-service payments for 1985 to 1987 totaled $9.2 billion.

Chile's foreign debt equals 120 percent of its annual GNP, one of the highest ratios in the world. Chile was able, however, to cut its debt by about $1.2 billion in 1986 and expects to cut another $1.8 billion by 1988.

HYPER-URBANIZATION

Chile's economic downturn and overconcentration of its population in Santiago has aggravated an already tenuous social situation. Right now, the distribution of Chile's population is a greater problem than growth. Population grew slowly at an average annual rate of 1.7 percent during the period 1965 to 1985. This figure compares to Argentina's 1.5 percent annual growth, Mexico's 2.9 percent annual growth, and Brazil's 2.4 percent annual growth.

But about 82 percent of Chileans now live in cities, up from 45 percent in 1950. Such rapid urban growth with extreme concentration of wealth and population in a single city leads to strains on urban services, slum housing, and unemployment or underemployment as workers find limited access to formal-sector jobs.

Santiago is a prime example of Latin America's tendency to create megacities. Santiago is now home to one out of every three Chileans. In 1980, 36.4 percent of Chile's population resided there. This compares to Buenos Aires' 35.2 percent share of Argentina's population, Lima-Callao's 26.6 percent of Peru's population, and Caracas' 19.6 percent of Venezuela's population. Santiago is Chile's only major city with over 1 million people. The 1980 population was about 4 million people.

Right now, the distribution of the population is a greater problem than growth.

Other important urban centers include Valparaiso (266,577), Concepcion (278,000), and Vina del Mar Valparaiso (290,014).

Chile's 1982 census counted 11.2 million people, up from 8.8 million in 1970.

SLOW GROWTH

Like Argentina, Cuba, and Uruguay, Chile experienced early and gradual declines in birth and death rates in the 1950s and 1960s. Consequently, population has grown slowly from the early 1970s to the present. This trend will continue with the growth rate falling from its current 1.5 percent to an estimated 1.41 percent in 1990 and 1.15 by the year 2000. Chile's 1988 population of 12.6 million will increase to 13 million by 1990 and about 15 million by the year 2000.

In the 1950s, Chilean women commonly bore five children. However, during the late 1960s, the fertility rate began its steady decline from about four children per woman to 2.6 children per woman in the early 1980s. Chilean women now have on average fewer children than their Latin American counterparts. In all of Latin America, only Cuban women have fewer children, averaging two lifetime births.

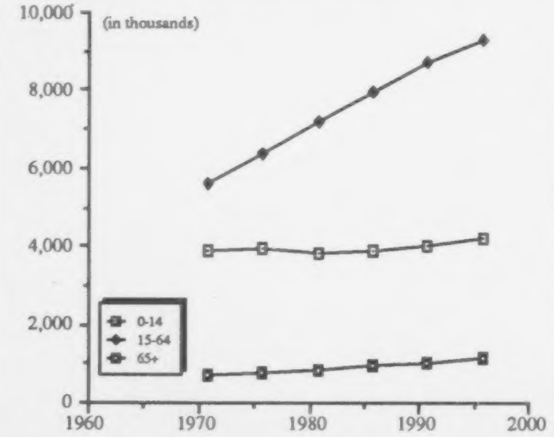
DECLINING SHARE OF YOUTH

In 1960, about 40 percent of Chileans were under age 15. However, falling birth rates reduced this proportion substantially. Chile now has a moderately young population with about 30.3 percent of its population under age 15. By the year 2000, 28 percent of the population should be aged under 15.

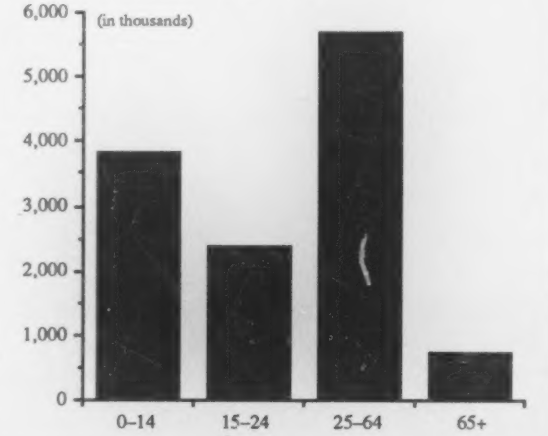
Chile will begin to age slowly. The 63 percent of this country's population between the ages of 15 and 64 will remain fairly stable, increasing to 65 percent by the year 2000. 5.9 percent of the population aged over 65, however, will increase to 6.7 percent by the year 2000 and to 9.7 percent by 2020.

In 1980, 51.7 percent of all women were between the ages of 15 and 49. This proportion is expected to remain constant, rising slightly to 52.9 percent of all women by 1988 and decreasing to 52. 4 percent in the year 2000.

Chile: Population by age group, 1970–1995



Chile: Population by age group, 1988



take a quick look at Chile

POPULATION DATA FOR 1988

Total population | **12,638,000**
Rate of population growth, calendar year 1988 (percent) | **1.5**
Lifetime births per woman (total fertility rate) | **2.5**
Birth rate (births per 1,000) | **21.4**
Death rate (deaths per 1,000) | **6.4**
Population under 15 (percent) | **30.3**
Population aged 65 or over (percent) | **5.9**
Median age | **25.6**
Percent of all women in fertile age group (aged 15–49) | **52.9**
Population density (number of persons per square kilometer) | **17**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68 / 75**
Infant mortality rate (number of deaths per 1,000 live births) | **18**
Population per physician/per nurse | **2,733 / 452**
Daily calorie supply per capita (calories per person per day) | **2,602**

Education

Percent literate (male/female, total percent) | **90 / 89, 90**
Enrollment in secondary education as percent of age group (male/female) | **63 / 69**
Enrollment in higher education as percent of population aged 20–24 | **16**

Labor force

Percent of labor force in agriculture/industry/services | **17 / 25 / 58**
Percent of population of working age (aged 15–64) | **64**
Age-dependency ratio | **57**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **32**
Enrollment in secondary education as percent of age group | **69**
Percent of married women aged 15–49 using contraceptives | **43**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **82 / 18**
Population of major metropolitan areas
Santiago | **4,700,000**
Concepcion | **278,000**
Average annual growth in urban areas, 1980–85 (percent) | **2.2**
Average annual growth in rural areas, 1980–85 (percent) | **-1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **1,430**
Unemployment (percent) | **15.3**

Finland

THE ULTIMATE CONSUMERS

Doing business in Helsinki, the capital of Finland, requires advertising and labelling in Finnish. Right? Only partially. While the majority of residents in Helsinki speak Finnish, nearly 9 percent of the population are Swedish, and the city has two official languages. Of the 4.9 million people who live in Finland, about 6 percent are Swedish-speaking overall, but in a few communities up to 90 percent of the population are Swedish-speaking.

SMALLER URBAN HOUSEHOLDS

People from urban communities are more likely to live in smaller households, to work, and to have a better education than those from rural communities. Finland has a low population density, although 2.9 million of its residents live in urban communities. In these cities, the density is 82.6 people per square kilometer compared with only 7.3 people per square kilometer in the rural communities.

Sixty percent of the Finnish population live in urban communities. However, these communities have nearly 64 percent of all households. In the urban areas, household size is about 2.4 persons; in the rural areas, it is about 2.9 persons. Nearly 48 percent of the urban population are economically active. However, in the countryside only 44 percent are economically active.

Of those who obtained higher education, 76 percent were urbanites, and for secondary school, 62 percent were urbanites as well.

YOUTH PLAYS A ROLE

For a country with a relatively high median age—35.7 years—nearly a fifth of the Finnish population are still under age 15. Again, there are urban/rural age differences, but they are not too dramatic. In urban communities, 19 percent of the population are aged 15 and under; in rural communities it is fully 20 percent. Nearly 70 percent of the population in urban areas are of working age, while 11.7 percent are aged 65 and older. In rural communities, only 66 percent are in the working ages of 15 to 64, and 13.3 percent are age 65 and older.

> ***People from urban communities are more likely to live in smaller households, to work, and to have a better education than those from rural communities.***

In 1984, there were 669,560 families in Finland with children under age 18. Of those, 85 percent were married couples with children (this figure includes cohabitees with children). Thirteen percent of the families were single mothers with children, and less than 2 percent were single fathers with children. These figures are similar to those in other developed countries. Married couples have the highest number of children—an average of 1.7 per family in urban areas and 1.9 per family in rural areas, while single

*See the February 1983 issue of **International Demographics** for in-depth consumer information about Finland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

fathers with children have the least—an average of 1.3 in both rural and urban municipalities.

Age-specific fertility rates in Finland confirm that women are waiting longer to have children. The birth rate for 20-to-24 year olds in 1975 was 105.5 per 1,000 women. By 1984, it had dropped to 82 births per 1,000 women. For women aged 30 to 34, however, the birth rate has risen from 59.6 in 1975 to 78.3 in 1984. The rate is even rising slightly for older women. In 1975 women aged 40 to 44 had 5.9 births per thousand. By 1984, that rate had risen to 7.0 births.

THE STATUS OF WOMEN

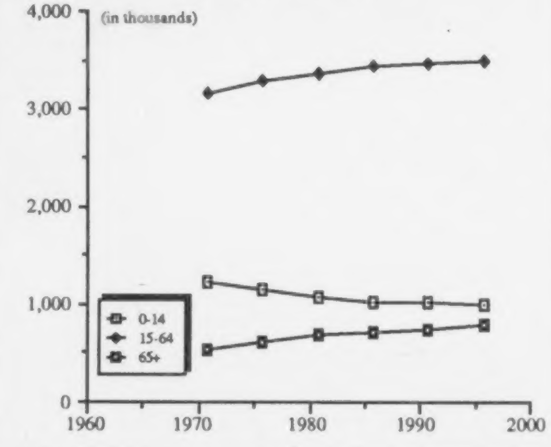
Nearly 26 percent of Finnish women have completed a third level of education—the equivalent of college in the U.S. This is a slightly higher proportion than the population as a whole. Whereas only 14 percent of women aged 65 and older ever completed their education, 80 percent of 20-to-24 year-old women have done so. Of those, 92 percent completed the second level—high school—and 8 percent have completed college. Among 25-to-29 year olds, 75 percent completed the second level and a quarter completed college. Thus, Finnish women are taking advantage of higher education in much the same way that women in other developed countries are.

Not surprisingly, given their high educational levels, Finnish women have one of the highest labor force participation rate in the world—nearly 74 percent aged 15 to 64 work outside the home. Labor-saving devices are much in evidence in this country. Microwave ovens, which have not penetrated the European market the way they have the U.S. market, are found in 3 percent of Finnish households. The only country in Europe that has a higher ownership rate is the United Kingdom with 14 percent. Austria and West Germany match Finland with 3 percent penetration.

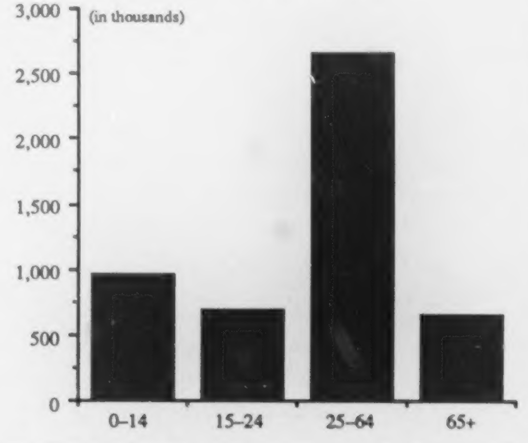
MORE FINNS PAY FOR LEISURE ACTIVITIES

One of the few categories of personal expenditure that is growing slightly in Finland is the area of recreation, entertainment, education, and cultural services. The Finns' high level of education, fairly stable economy, and relatively high per capita GNP—$10,890—provide an environment in which people can spend time and money on their personal interests.

Finland: Population by age group, 1970–1995



Finland: Population by age group, 1988



take a quick look at Finland

POPULATION DATA FOR 1988

Total population | **4,950,000**
Rate of population growth, calendar year 1988 (percent) | **0.3**
Lifetime births per woman (total fertility rate) | **1.7**
Birth rate (births per 1,000) | **12.5**
Death rate (deaths per 1,000) | **10.0**
Population under 15 (percent) | **19.4**
Population aged 65 or over (percent) | **13.0**
Median age | **35.7**
Percent of all women in fertile age group (aged 15–49) | **49.3**
Population density (number of persons per square kilometer) | **15**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 79**
Infant mortality rate (number of deaths per 1,000 live births) | **6**
Population per physician/per nurse | **481 / 100**
Daily calorie supply per capita (calories per person per day) | **3,026**

Education

Percent literate (male/female, total percent) | **99 / 99**
Enrollment in secondary education as percent of age group (male/female) | **94 / 100**
Enrollment in higher education as percent of population aged 20–24 | **31**

Labor force

Percent of labor force in agriculture/industry/services | **12 / 35 / 53**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **46**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **74**
Enrollment in secondary education as percent of age group | **100**
Percent of married women aged 15–49 using contraceptives | **80**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **60 / 40**
Population of major metropolitan areas
    Helsinki | **938,000**
    Turku | **257,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.9**
Average annual growth in rural areas, 1980–85 (percent) | **-1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **10,890**
Unemployment (percent) | **6.3**

France

THE ULTIMATE CONSUMERS

France is expected to stay a bit younger than its aging European neighbors West Germany, Sweden, Denmark, Great Britain, Italy, and Holland. In the last 25 years, the French population has grown steadily, from about 45.6 million in 1960 to 55.8 million in 1988.

Because of falling fertility rates, however, the French population is expected to grow at a much slower rate in the next 25 years. Projected population for the year 2010 is about 57.8 million. French fertility rates fell below replacement level in the early 1970s and have hovered around 1.8 children per woman since that period. Given present socioeconomic and cultural conditions, the fertility rate is not expected to rise above 1.9 children per woman until after 2020.

SINGLE LIVING

Living under one roof is passé with the French. The singles life is increasingly popular for older French women, either by choice (greater availability of housing) or by default (children unwilling to share their homes).

As a result of this trend, the number of one-person households in France jumped from 2.8 million in 1962 to 4.8 million in 1982. By 1982, one in every four French households was a one-person household. In two-thirds of these households, that one person was a woman.

Between 1962 and 1982, the number of households in France grew 10.4 percent—twice as rapidly as the population—with average household size dropping from 3.1 members in 1962 to 2.7 members in 1982. Large families have almost disappeared, replaced instead by the typical nuclear family of a couple and two children.

Although couples are being formed somewhat later than those in 1962, living as a couple is still the normal pattern for the vast majority of French from early adulthood on.

> ***Large French families have almost disappeared, replaced instead by the typical nuclear family of a couple and two children.***

Because of earlier retirement, the number of retired couples almost doubled between 1962 and 1982. At present, one in five couples is a retired couple. This trend is particularly important for marketers. With time on their hands and the energy to enjoy it, young retirees enter a new stage of life with special demands for goods and services.

STATUS OF FRENCH WOMEN ON THE RISE

With younger people staying in school longer and older people retiring earlier, French women have gone to work in droves. Women now make up 41 percent of the French workforce, up from 35 percent of the work force in 1962. About 9.6 million women are in the labor force.

Once working, French women are more

*See the September 1984 issue of **International Demographics** for in-depth consumer information about France. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

likely than their EC counterparts to continue after marriage. Usually, EC women workers break for childrearing, with the employment activity rate for women in the 20-to-25 age group dropping steadily until the 30-to-35 age group is reached. After marriage, the activity rate among women in the Community drops from an average of 48 percent to 42 percent, as compared to a rise in the French activity rate from 48 percent to 50 percent. About six out of ten women between the ages of 19 and 45 work.

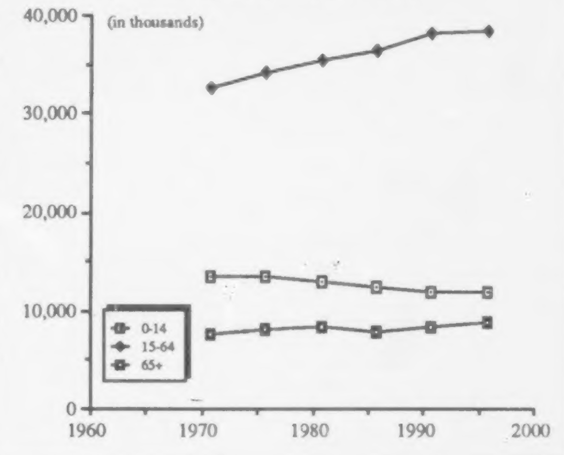
The French are generally more supportive of the liberated woman than other Europeans, according to a recent EC survey. Except for the Danes and the Dutch, a greater percentage of the French expressed equal confidence in women carrying out traditional male activities such as doctoring and holding a government post than any other EC nationality. And 40 percent of the French polled felt that strict equality in the sharing of household duties was the best division of roles in the family. This percentage was bested only by Danes (46 percent) and Greeks (51 percent).

MINITEL MADNESS AND FRENCH HIGH-TECH

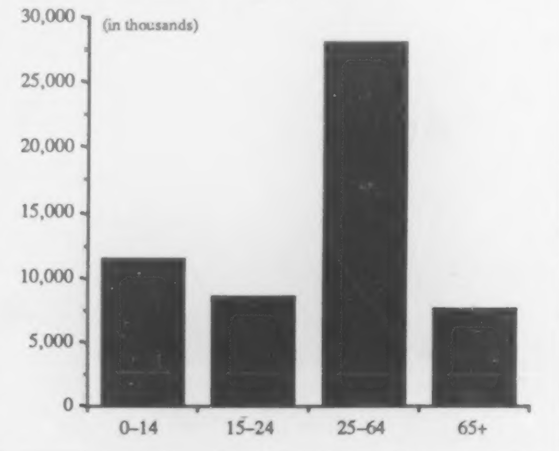
Who would ever think that using your telephone would be a revolutionary act? But in France, where *Minitel* videotex terminals connect over a million French households to a nationwide electronic telephone directory, the communications revolution is just one call away. The *Minitel* video screens are linked to information banks, allowing users not only to call up telephone numbers but to read the morning newspaper and want ads, to bank, and to shop. With 1.4 million terminals in use, France's Teletel—the national videotex system operated by the state-owned monopoly *Postes Telephones and Telecommunications* (PTT)—is the world's first thriving mass-consumer videotex system.

France's love affair with the *Minitel* is contributing to increasing interest in high-tech endeavors. A recent study found that two-thirds of the French polled were enthusiastic about or interested in computers. Armchair banking and shopping through *Minitel* and smart cards is a national craze. *Minitel's* super-successful *le Kiosque,* which allows users to read news synopses, go through want ads, and communicate with each other, has been both hailed as a friend to the lonely and decried as a vehicle for further isolation and alienation.

France: Population by age group, 1970–1995



France: Population by age group, 1988



take a quick look at France

POPULATION DATA FOR 1988

Total population | **55,798,000**
Rate of population growth, calendar year 1988 (percent) | **0.4**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **13.6**
Death rate (deaths per 1,000) | **10.1**
Population under 15 (percent) | **20.4**
Population aged 65 or over (percent) | **13.6**
Median age | **34.3**
Percent of all women in fertile age group (aged 15–49) | **48.1**
Population density (number of persons per square kilometer) | **102**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **9**
Population per physician/per nurse | **460 / 110**
Daily calorie supply per capita (calories per person per day) | **3,359**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **84 / 96**
Enrollment in higher education as percent of population aged 20–24 | **27**

Labor force

Percent of labor force in agriculture/industry/services | **9 / 35 / 56**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **52**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **53**
Enrollment in secondary education as percent of age group | **96**
Percent of married women aged 15–49 using contraceptives | **79**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **73 / 27**
Population of major metropolitan areas
    Paris | **8,633,000**
    Lyon | **1,170,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.4**
Average annual growth in rural areas, 1980–85 (percent) | **0.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **9,540**
Unemployment (percent) | **9.9**

East Germany

THE ULTIMATE CONSUMERS

In 1975, East and West Germany had the dubious distinction of being two of the few countries in the world experiencing natural decrease in their populations. The number of deaths in the populations of both countries was greater than the number of births by 50,000 to 60,000.

But, a mere 10 years later, these two nations couldn't be farther apart. West Germany is still losing ground with a projected decline from its present 61 million to 58 million by the year 2000, while East Germany has reversed its falling birth rate, increasing its annual number of births by one-third from 180,000 per year to 240,000 a year.

Why such a stunning reversal? In 1976, spurred by the vision of an old and shrinking population, the East German government implemented family policies to encourage births. This attempt has paid off so far. The average number of lifetime births per woman is expected to continue to rise from its present 1.8 children per woman to 1.9 children per woman by the year 2000. This level is close to the 2.1 children per couple needed in order for a population to just reproduce itself.

East Germany's estimated 1988 population of 16.6 million people will therefore remain relatively stable, decreasing only slightly to 16.5 million by the year 2000. Soon after the turn of the century, however, the growth rate will go from negative to positive—an almost negligible increase of .03 percent.

MAKING MOTHERHOOD ATTRACTIVE

The question remains as to whether East Germany's experiment can be transferred to other rapidly aging countries, such as Japan, most of Western Europe, and the U.S. The 1976 measures taken by East Germany were not costly, but they also gave mothers-to-be advantages most Western countries could not offer.

> ***In 1976, spurred by the vision of a country populated by old people and a declining population, the East German government implemented family policies to encourage births.***

Incentives included parental leave for one year at 70 percent to 80 percent of salary, one month's additional salary and an additional day's leave per month for each additional birth, a 40-hour work week instead of the regular 43 hours, priority allocation of housing based on the number of children in the household, and access to loans at marriage and at each birth to pay for household necessities. In addition, no woman with a child under three can be fired from her job.

HEADING OFF OLD AGE

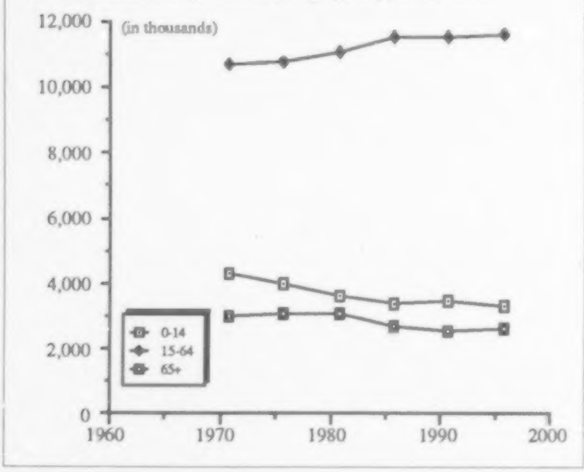
Increasing the birth rate was just what East Germany needed to stall population aging. In

1970, 15.5 percent of the population was 65 or over. By 1988, this proportion had dropped to 13.2 percent. This proportion is expected to rise again to 14.6 percent by the year 2000. The share of those under age 15 will continue decreasing, however, from 19.5 percent of the population in 1988 to about 17.4 percent of the population by the year 2000. The slack is expected to be taken up by those of working age (15 to 64 years). This proportion will increase from 67.5 percent of the population in 1985 to 68 percent by the year 2000.

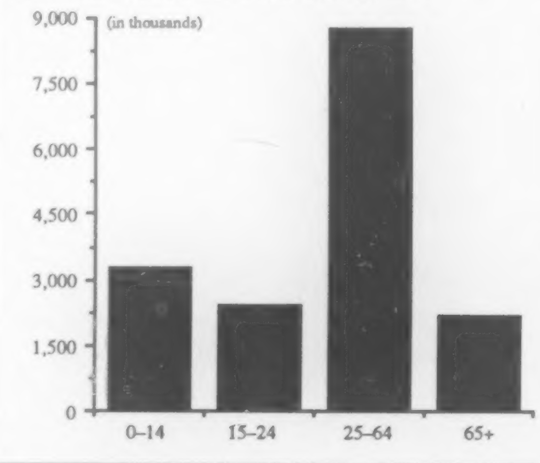
EAST GERMAN PER CAPITA GNP IS HIGHEST IN EASTERN BLOC

Although GNP per capita dollar figures are difficult to come by for centrally planned economies, The World Bank recently released figures estimating 1980 GNP per capita for eight Eastern Bloc countries. Not surprisingly, East Germany came out on top with per capita GNP of $5,910 in 1980 (52 percent of U.S. per capita GNP for the same year), followed by Czechoslovakia, $4,740; Hungary, $4,390; USSR, $4,190; Poland, $3,730; Bulgaria, $3,551; Romania, $2,680; and Yugoslavia, $2,620. East Germany's official GNP growth rate was 3.9 percent annually between 1977 and 1980, although The World Bank estimate counting hidden inflation is closer to 1 percent annually during the same period.

East Germany: Population by age group, 1970–1995



East Germany: Population by age group, 1988



take a quick look at East Germany

POPULATION DATA FOR 1988

Total population | **16,597,000**
Rate of population growth, calendar year 1988 (percent) | **-0.1**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **13.4**
Death rate (deaths per 1,000) | **13.1**
Population under 15 (percent) | **19.5**
Population aged 65 or over (percent) | **13.2**
Median age | **35.0**
Percent of all women in fertile age group (aged 15–49) | **47.2**
Population density (number of persons per square kilometer) | **153**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **69 / 76**
Infant mortality rate (number of deaths per 1,000 live births) | **11**
Population per physician/per nurse | **425 / 1,036**
Daily calorie supply per capita (calories per person per day) | **3,791**

Education

Percent literate (male/female, total percent) | **NA / NA, NA**
Enrollment in secondary education as percent of age group (male/female) | **90 / 85**
Enrollment in higher education as percent of population aged 20–24 | **30**

Labor force

Percent of labor force in agriculture/industry/services | **11 / 50 / 39**
Percent of population of working age (aged 15–64) | **67**
Age-dependency ratio | **49**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **NA**
Enrollment in secondary education as percent of age group | **85**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **77 / 23**
Population of major metropolitan areas
    East Berlin | **1,203,000**
    Leipzig | **555,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.2**
Average annual growth in rural areas, 1980–85 (percent) | **-0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **5,910**
Unemployment (percent) | **NA**

Greece

THE ULTIMATE CONSUMERS

Greece's entry into the European Economic Community has not been easy. Despite the fact that it has strong agricultural and fishing industries that employ about 31 percent of the population, Greece needs to modernize its major industries, such as food processing and packaging facilities, in order to compete with other EEC countries.

ELDERLY TO INCREASE SLOWLY

Of Greece's 10 million people, only a fifth are aged 15 and under. Fourteen percent of the population are age 65 and older. The median age in Greece is about 36 years. The share of the population aged 65 and over is projected to increase slowly—from 13.6 percent in 1990 to 16.1 percent by the turn of the century. The group under age 15 will be fairly stable at 20 percent of the population through the year 2000, given current expected trends in births and deaths. Greece should have no problems supplying new entrants for the labor force from now through the year 2000, even though its birth rate is only 11.9 and its annual population growth rate is less than 1 percent.

WOMEN LAG BEHIND

The low status of women in Greece has contributed to its slow development. Among women in the appropriate age groups in Greece, only 82 percent are enrolled in secondary school, compared to 89 percent of boys. In total, only 18 percent of the population aged 20 to 24 are enrolled in college. Women account for only 35 percent of the labor force. Literacy figures show that only about 86 percent of women are literate, compared with 96 percent of men.

Opportunities for employment are limited for women, in part because the service industries have grown slowly in Greece. Only 40 percent of the workforce find employment in services, where women have traditionally found the most opportunity. Twenty-nine percent of Greek workers are employed in industry. The other 31 percent are employed in agriculture. This high level of employment in agriculture is one factor in maintaining a low per capita GNP of $3,550.

> ***Only 40 percent of the workforce find employment in services, where women have traditionally found the most opportunity.***

While women represent almost the same share of the workforce in urban and rural areas, the type of work they perform differs significantly. Overall, 52 percent of working women are salaried employees, 28 percent are non-paid family members, and less than 1 percent are employers. In urban areas, 4 percent are employers, 66 percent are salaried employees, and only 2 percent are considered non-paid family members.

See the September 1987 issue of ***Consumer Markets Abroad*** *for in-depth consumer information about Greece. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

MARRIAGE RATES LOW

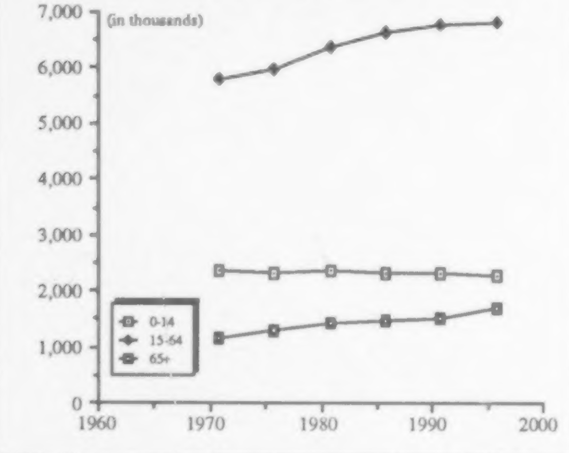
Household size is declining in Greece. In 1971, there were 2.5 million households with an average size of 3.4 persons per household; today there are nearly 3 million households with an average size of 3.2 persons per household. The actual number of marriages has remained fairly stable since the 1960s, with 9.4 per thousand people marrying in 1965 and 6.5 per 1,000 people marrying in 1980.

Still, only 51 percent of the population are married. Nearly 42 percent have never married, 6 percent are widowed, and less than 1 percent are divorced. Greece may be one of few industrialized countries where there are more never-married men than women.

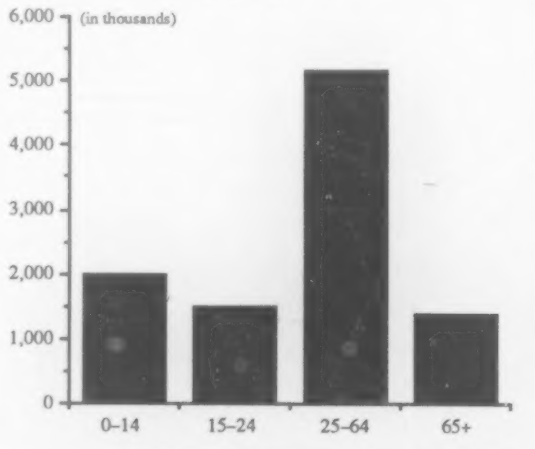
EDUCATION REMAINS PROBLEMATIC

Education, or the lack of it, is important to an understanding of Greece. Nearly 16 percent of the population aged 10 and older had not completed primary school in 1981. In 1981, only 4 percent of the population had completed higher education, according to data from a 10 percent sample of the census. Including the 4 percent who have completed higher education, 21 percent of the population aged 10 and older have completed high school and/or attained some education beyond secondary school. Three times as many men as women have completed a college degree. Compulsory education through high school (9 years of schooling) was instituted in 1981, so subsequent census figures should reflect higher levels of education. All colleges are run by the state.

Greece: Population by age group, 1970–1995



Greece: Population by age group, 1988



take a quick look at Greece

POPULATION DATA FOR 1988

Total population | **10,015,000**
Rate of population growth, calendar year 1988 (percent) | **0.3**
Lifetime births per woman (total fertility rate) | **1.7**
Birth rate (births per 1,000) | **11.9**
Death rate (deaths per 1,000) | **9.4**
Population under 15 (percent) | **20.0**
Population aged 65 or over (percent) | **13.6**
Median age | **35.9**
Percent of all women in fertile age group (aged 15–49) | **46.5**
Population density (number of persons per square kilometer) | **76**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **12**
Population per physician/per nurse | **700 / 370**
Daily calorie supply per capita (calories per person per day) | **3,721**

Education

Percent literate (male/female, total percent) | **96 / 86, 91**
Enrollment in secondary education as percent of age group (male/female) | **89 / 82**
Enrollment in higher education as percent of population aged 20–24 | **18**

Labor force

Percent of labor force in agriculture/industry/services | **31 / 29 / 40**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **51**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **39**
Enrollment in secondary education as percent of age group | **82**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural)	**69 / 31**
Population of major metropolitan areas	
Greater Athens	**3,252,000**
Thessaloniki	**706,000**
Average annual growth in urban areas, 1980–85 (percent)	**1.3**
Average annual growth in rural areas, 1980–85 (percent)	**-0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$)	**3,550**
Unemployment (percent)	**7.8**

Hong Kong

THE ULTIMATE CONSUMERS

Japan's competitive-price loss in world export markets is Hong Kong's gain. Demand for Hong Kong's light consumer goods is on the rise in both Western Europe and Japan. In the first eight months of 1987, exports rose by 31 percent from a year earlier to $15.8 billion. This expansion comes on top of an almost 18 percent increase in 1986.

Positive indicators on sustained economic growth include revived private-sector investment, low inflation, balanced budgets, and rising fortunes in the People's Republic of China—a fortune that middle-man Hong Kong has much to do with. Pessimists, however, look to the coming change of government, the health of the financial sector, and the loss of competitive edge to other Asian nations, especially Taiwan and South Korea, as warnings of difficult times ahead. And, as do all Asian nations with export-led economic growth, Hong Kong must worry about protectionist backlash.

Most expect Hong Kong's future strength to be aided by its ties to China, where a labor-intensive manufacturing sector can be backed up by Hong Kong's front-end services—marketing, product design, and tooling—and back-end and tertiary services—banking, shipping, testing, packaging, and customer service. Analysts see Hong Kong changing from a manufacturing center to a trading center, offering services to those trading with such areas as Shanghai and Canton.

Experts see the areas of computer-aided design and computer-aided manufacturing as growth areas for Hong Kong. The government, which is traditionally hands-off when it comes to supporting and nurturing industries (in contrast to South Korea, Taiwan, and Singapore), is pushing industry to move into advanced automation and precision manufacturing.

> ***Analysts see Hong Kong changing from a manufacturing center to a trading center, offering services to those trading with such areas as Shanghai and Canton.***

TURNING GRAY

As a result of low fertility and low mortality, the Hong Kong population is aging rapidly—much in the same vein as its European and American counterparts. In 1987, 8.3 percent of the population were aged 65 and over, compared with only 2.8 percent in 1961. Hong Kong still has a younger population than the U.S., however. The proportion of Hong Kong residents under age 15 has almost halved since 1961 (from 41 percent to 22 percent) and is now close to that in the U.S. In 1987, the median age in Hong Kong was 30 years, versus 31.7 years in the U.S.

Projections show that 10 to 11 percent of Hong Kong's population will be aged 65 and over by 2001, depending on future immigration trends. Those under age 15 should

*See the September 1983 issue of **International Demographics** for in-depth consumer information about Hong Kong. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

drop to about 21 percent by 2001. These figures suggest that a growing number of elderly will depend on fewer younger people. The share of the population aged 15 to 64—those potentially in the labor force—has grown from 56 percent in 1961 to 69 percent in 1986.

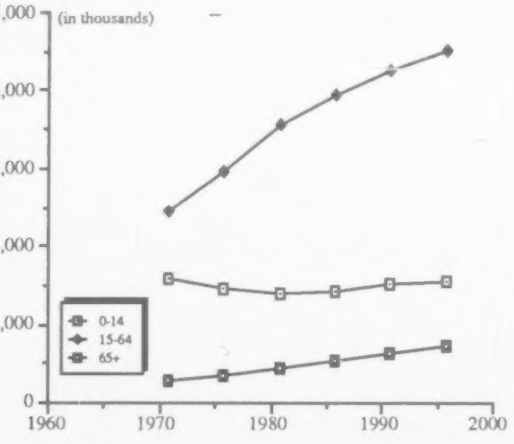
IMMIGRATION DRIVES POPULATION GROWTH

Because of sporadic immigration, Hong Kong's growth rate fluctuates. Between 1971 and 1977, for example, it averaged 1.9 percent per year, while in 1978, 1979, and 1980, it was 3.4 percent, 6.3 percent, and 2.6 percent, respectively. In all previous census years, natural increase was the largest component of population growth. But from 1976 to 1981, net immigration was at an all-time high, minimizing the natural increase component to 42 percent of population growth.

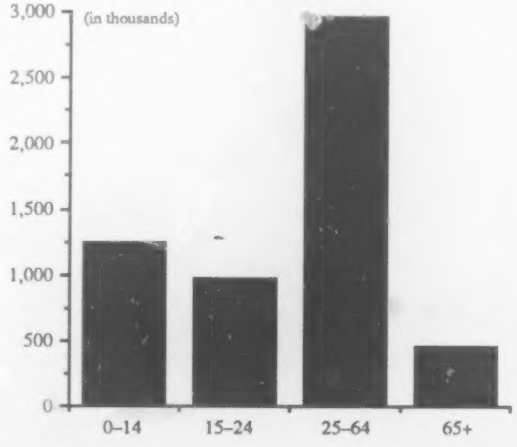
With the large influx of immigrants in the late 1970s, the annual growth rate between 1976 and 1981 averaged 2.8 percent a year despite falling fertility. Nearly 400,000 Chinese immigrants entered the country between 1978 and 1981. Hong Kong also received more than 50,000 Vietnamese "boat people" in 1979.

Estimating 44,000 immigrants per year, the Hong Kong Census and Statistics Department predicts a population of 6.2 million people by 1991 and 7.1 million by 2001. With later marriages, fewer women in their child-bearing years, and preferences for fewer children, the number of lifetime births per woman in 1987 remained low at 1.4.

Hong Kong: Population by age group, 1970–1995



Hong Kong: Population by age group, 1988



take a quick look at Hong Kong

POPULATION DATA FOR 1988

Total population | **5,651,000**
Rate of population growth, calendar year 1988 (percent) | **1.1**
Lifetime births per woman (total fertility rate) | **1.4**
Birth rate (births per 1,000) | **13.4**
Death rate (deaths per 1,000) | **5.0**
Population under 15 (percent) | **22.1**
Population aged 65 or over (percent) | **8.3**
Median age | **30.0**
Percent of all women in fertile age group (aged 15–49) | **55.0**
Population density (number of persons per square kilometer) | **5,331**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **75 / 81**
Infant mortality rate (number of deaths per 1,000 live births) | **7**
Population per physician/per nurse | **1,300 / 800**
Daily calorie supply per capita (calories per person per day) | **2,698**

Education

Percent literate (male/female, total percent) | **90 / 64, 77**
Enrollment in secondary education as percent of age group (male/female) | **66 / 72**
Enrollment in higher education as percent of population aged 20–24 | **13**

Labor force

Percent of labor force in agriculture/industry/services | **2 / 51 / 47**
Percent of population of working age (aged 15–64) | **70**
Age-dependency ratio | **44**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **54**
Enrollment in secondary education as percent of age group | **72**
Percent of married women aged 15–49 using contraceptives | **72**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural)	**92 / 8**
Population of major metropolitan areas	
New Kowloon	**1,651,000**
Hong Kong Island	**1,184,000**
Average annual growth in urban areas, 1980–85 (percent)	**2.1**
Average annual growth in rural areas, 1980–85 (percent)	**-0.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$)	**6,230**
Unemployment (percent)	**3.6**

Ireland

THE ULTIMATE CONSUMERS

Advertisements to attract new industry to Ireland emphasize its young, well-educated population. Of the Ultimate Consumer countries, Ireland has the highest birth rate and the lowest median age. It is one of the few countries in the industrialized world not facing the problem of an aging population within the next decade. Ireland's birth rate is 15 births per thousand and its median age is 30.7—quite a difference compared with countries where the median age has already reached the mid-30s and early 40s.

Ireland is plagued by political troubles. Nevertheless, its demographic structure suggests a large potential for economic growth in the future.

URBAN GROWTH IS ON THE RISE

Only 57 percent of Ireland's population are urban dwellers. Cities are growing at an average of 1.8 percent a year, which is high for industrialized cities. Eastern cities are growing the fastest, especially in Leinster and Munster provinces.

Only 19 percent of the Irish still work in agriculture. Thirty-four percent work in industry, and 48 percent work in services—lower than in any other European country except Portugal and Greece. It is no wonder the government is working so hard to attract industry. Ireland's unemployment rate—18 percent—is one of the highest in Europe.

Ireland's GNP per capita is estimated at $4,850—a low rate that leaves much room for growth in the coming years.

THE YOUNG DOMINATE

Thirty-two percent of the Irish are under age 15 and only 12 percent are over age 65. Thus there is still a strong working age population to support the needs of the young and the old. The Irish are putting emphasis on education and trying to prepare their young for a more modern society. The government spent 6.2 percent of the GDP on education in 1982, compared to only 5.5 percent in Italy, 5 percent in Japan, and 5.2 percent in France. But only 88 percent of its young men who are eligible for secondary school are enrolled, and only 22 percent of its young people currently go on to a higher education.

> ***Despite the relatively high birth rates in Ireland, the traditionally large Irish family is on the decline.***

DIVORCE REMAINS OUTLAWED—SINGLE HOUSEHOLDS INCREASE

Last year there was an attempt to legalize divorce in Ireland, but it was struck down. Census data on marital status are affected by Ireland's laws on divorce. Women who are

*See the April 1984 issue of **International Demographics** for in-depth consumer information about Ireland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

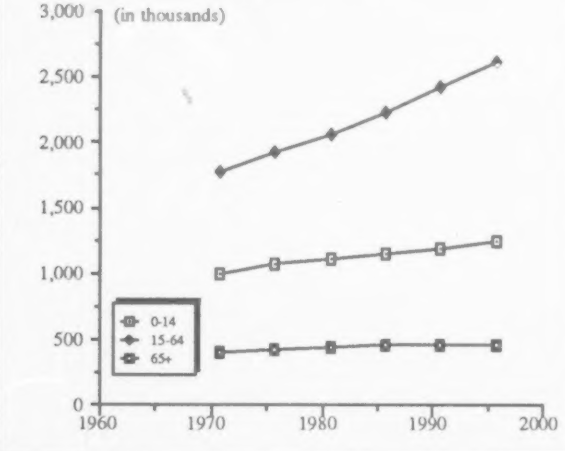
not living with their legal husband, but who have not been able to obtain a divorce because it is against the law, often choose to live with someone who is not their legal spouse. On census questionnaires, their only choice is to mark "married, widowed, or other status," so they end up in a married category even though they are not occupying a household with their legal spouse.

Despite the relatively high birth rates in Ireland, the traditionally large Irish family is on the decline. Average household size has declined from nearly 4 persons per household in the early 1970s to about 3.5 persons per household now. About 17 percent of households are one-person households, an increase of about 50 percent in the last decade. In Dublin, one-person households represent 24 percent of all households.

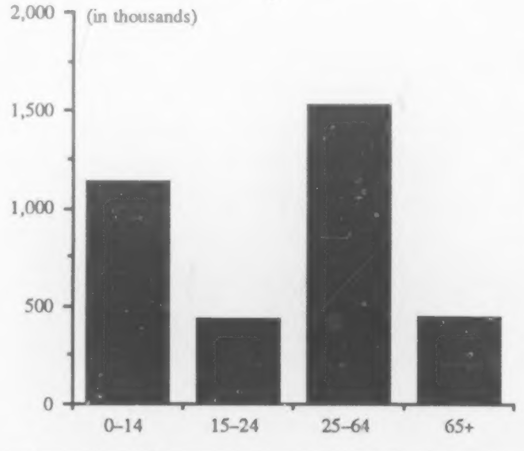
WORKING WOMEN ARE LIKELY SINGLE

With a higher share of Irish women than men attending high school, it is not surprising to find that 36 percent of women who are of working age are in the labor force. But unlike the United States, where married women work in equal shares with single women, in Ireland about 64 percent of the women who work are single. The highest labor force rates are among younger women. About 30 percent of the total Irish labor force are women. They constitute nearly 49 percent of workers in the professional and technical category. Ireland's census includes an occupational category called "home duties" and twice as many women choose that category as some other occupational category.

Ireland: Population by age group, 1970–1995



Ireland: Population by age group, 1988



take a quick look at Ireland

POPULATION DATA FOR 1988

Total population | **3,532,000**
Rate of population growth, calendar year 1988 (percent) | **-0.1**
Lifetime births per woman (total fertility rate) | **2.4**
Birth rate (births per 1,000) | **15.0**
Death rate (deaths per 1,000) | **9.2**
Population under 15 (percent) | **32.0**
Population aged 65 or over (percent) | **12.4**
Median age | **30.7**
Percent of all women in fertile age group (aged 15–49) | **44.4**
Population density (number of persons per square kilometer) | **50**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **774 / 126**
Daily calorie supply per capita (calories per person per day) | **3,831**

Education

Percent literate (male/female, total percent) | **98 / 94, 97**
Enrollment in secondary education as percent of age group (male/female) | **88 / 98**
Enrollment in higher education as percent of population aged 20–24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **19 / 34 / 48**
Percent of population of working age (aged 15–64) | **56**
Age-dependency ratio | **80**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **36**
Enrollment in secondary education as percent of age group | **98**
Percent of married women aged 15–49 using contraceptives | **60**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **57 / 43**
Population of major metropolitan areas
Dublin | **915,000**
Cork | **150,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.8**
Average annual growth in rural areas, 1980–85 (percent) | **0.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **4,850**
Unemployment (percent) | **18.1**

Italy

THE ULTIMATE CONSUMERS

The reputation for strict Roman Catholicism and great loving in Italy do not necessarily fit the current demographic trend of steadily declining birth rates. Among OECD countries, only West Germany has a lower birth rate. Despite bans by the church, 78 percent of women aged 15 to 49 use contraceptives.

At 11 births per thousand, Italy's population is growing at less than 0.20 percent. The population in 1988 is estimated to be about 57.5 million, making Italy second only to West Germany in population among the European countries. If West Germany's population loss continues, Italy could overtake it in size around the turn of the century.

With a female life expectancy of 80 years (one of the highest in the world)and a male life expectancy of 73, Italy's population is expected to continue to grow and age quickly. Half the population will be age 38 or older by the turn of the century, just shy of West Germany's median age of 41 years.

ROOM TO GROW

While Italy has the birth rate of a much older nation, its economic development is still in a youthful stage. Of the industrialzied countries, Italy has one of the lowest rates of labor force employment working in services, and nearly 12 percent of its workers are employed in agriculture.

Levels of school enrollment are low compared to other European countries. Fewer than three-quarters of young Italian men and women are enrolled in secondary school. Of those who do complete secondary school, a higher education is common. About 26 percent of those aged 20 to 24 are enrolled in some form of higher education. Overall, however, only about 3 percent of the population go on to higher education.

Average household size is large for a country like Italy. While other industrialized countries have as few as 2.1 to 2.5 persons per household, Italy still has about 3 persons per household. Household size is unlikely to go below 3 until nearly the turn of the century.

> ***While Italy's GNP per capita is estimated at only $6,520, one of the lower rates among Western European nations, that figure does not take into account the underground economy.***

And while informal unions have caught on in nearly every other European nation, Italy is one of the holdouts. Marriage without benefit of a ceremony is still unusual, as is divorce. Fully 86 percent of Italian couples still choose a religious ceremony.

REGIONAL DIFFERENCES TRANSLATE INTO SPENDING

For marketers, regional differences in Italy must be considered carefully. Northern provinces have already shifted to a service economy, while southern provinces are just moving into industry after years of reliance on

*See the February 1986 issue of **International Demographics** for in-depth consumer information about Italy. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

agriculture.

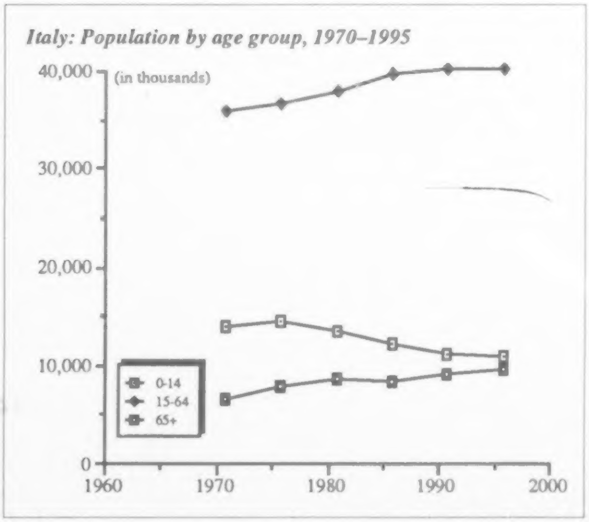
While the median age in Italy is about 36 years, it is much higher in a province like Liguria—where retirees are likely to go. Here, median age is 42 and 18 percent of the population are aged 65 and older, compared with a national share of only about 13 percent. Household size varies by province as well. Liguria, the old folks home, has about 2.5 persons per household, whereas Puglia, a southern province that is one of the fastest-growing in the country, has about 3.4 persons per household.

Working women are not as prevalent in Italy as in some other well-developed countries, although there are indications that more of them would be working if the jobs were available. Again, there are substantial regional variations. In the developed north, nearly 37 percent of women work in provinces such as Emilia Romagna, whereas in the more traditional southern provinces such as Sicilia, only about 18 percent of women work outside the home. These variations create substantially different consumer needs and wants. Women in northern provinces are more likely to need and pay for time-saving appliances.

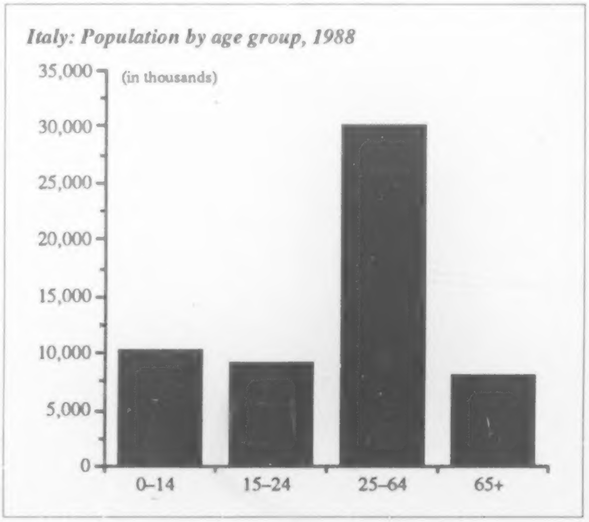
Birth rates, too, range from as high as 14 or 15 births per thousand in some southern provinces to as low as 6 and 7 births per thousand in Liguria, Valle d'Aosta and Emilia Romagna.

UNDERGROUND ECONOMY

While Italy's GNP per capita is estimated at only $6,520, one of the lower rates among Western European nations, that figure does not take into account the underground economy. Because of this activity, the 170 percent difference officially reported between the per capita GDP of the richest province, Valle d'Aosta, and the poorest, Calabria, may be overstated. While GNP per capita is estimated at only about $6,500, mean annual household budgets reported in 1983 varied from the equivalent of $11,950 in Lombardia to $7,400 in Molise, with a national average of $10,026. And, true to their international image, the consumption of cereals (including pasta) accounts for nearly 4 percent of the average household budget.



Italy: Population by age group, 1970–1995



Italy: Population by age group, 1988

take a quick look at Italy

POPULATION DATA FOR 1988

Total population | **57,455,000**
Rate of population growth, calendar year 1988 (percent) | **0.2**
Lifetime births per woman (total fertility rate) | **1.5**
Birth rate (births per 1,000) | **11.0**
Death rate (deaths per 1,000) | **9.9**
Population under 15 (percent) | **17.7**
Population aged 65 or over (percent) | **14.0**
Median age | **36.2**
Percent of all women in fertile age group (aged 15–49) | **48.7**
Population density (number of persons per square kilometer) | **191**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **750 / 250**
Daily calorie supply per capita (calories per person per day) | **3,538**

Education

Percent literate (male/female, total percent) | **96 / 93, 94**
Enrollment in secondary education as percent of age group (male/female) | **74 / 73**
Enrollment in higher education as percent of population aged 20–24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **12 / 41 / 48**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **46**

STATUS OF WOMEN

Labor force participation rate (percent of women 14–64 in the labor force) | **41**
Enrollment in secondary education as percent of age group | **73**
Percent of married women aged 15–49 using contraceptives | **78**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **67 / 33**

Population of major metropolitan areas

Milan | **4,635,000**

Rome | **2,944,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.3**

Average annual growth in rural areas, 1980–85 (percent) | **-0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **6,520**

Unemployment (percent) | **10.6**

Japan

THE ULTIMATE CONSUMERS

Japan's 123 million people buy the second largest quantity of goods and services in the world. The seventh most populous nation in the world, its total land area, however, is smaller than that of California, and as a result, Japan has the second highest population density among the world's 20 most populous countries.

Japan's population is highly concentrated in urban areas. More than 66 million persons live within the "Pacific Belt," a region that stretches along the Pacific side of the main island from Tokyo to Kobe.

The significance of crowding is not just physical. Land scarcity keeps the living standard of the Japanese artificially low because of the incredibly high cost of real estate. Saving to buy a tiny plot diverts money from purchasing larger houses and associated amenities. Absurdly small and expensive living quarters scarcely reflect the extraordinary gains of the last 30 years, leaving the average Japanese feeling hardly affluent. The disparity between the good life of countries that buy Japanese products and the crowded, expensive life in Japan fuels the export-or-die mentality driving Japan's economic growth.

AGING FAST

Japan's population is aging faster than any other population on earth. Its 1988 population of 122.6 million will continue to grow slowly to 127.6 million in the year 2000 and 128.5 million in 2020. By far the fastest growing age group will be those over age 60.

In 1980 about 13 percent of Japan's population were over 60. By the year 2000, this proportion will surge to about 21 percent; by 2020, to 26.5 percent. The proportion of youth—those aged 15 and under—which made up 23.6 percent of the population in 1980 will continue to decline, accounting for only 17.5 percent of the population by the year 2000.

> ***The significance of crowding is not just physical. Land scarcity keeps the living standard of the Japanese artificially low because of the incredibly high cost of real estate.***

WORKING WOMEN PICK UP THE EMPLOYMENT SLACK

As Japan's entire population ages, so will its work force. Dwindling numbers of youth who traditionally provide cheap, flexible labor will be increasingly replaced by married women—women used to career breaks and desiring flexible hours. So far, the trend in Japan has been for women (who have routinely quit work in their mid-20s to raise families) to return to work part-time after their children enter primary school.

Women over age 35 are returning to work in increasing numbers for reasons of both personal fulfillment and economic necessity. Those over 35 find themselves educated, with

*See the November 1982 issue of **International Demographics** for in-depth consumer information about Japan. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

their children in school, and with an abundance of free time. Of the nearly 15 million women who work, about 5 million hold down part-time jobs. The majority of these women, however, occupy low-level, low-paying jobs.

However, the new Japanese woman is beginning to make inroads into previously all-male professions. With a shortage of new male entrants in the labor force, young women are now entering professions such as computer programming. Some are even beginning to hold influential positions in Japan's fast-growing service and retailing sector. Other forces are sure to catapult Japan's urban, educated women into senior positions. The industries slated to grow quickly in the Japanese economy are exactly the ones where women's skills are highest—the information industry, financial services, tourism, and design.

SINGLES SPEND MORE

Not only is the population getting older, it is getting richer too. By some estimates, the income of the average Japanese, at $18,000, now tops that of the average American. Although the largest consumer group will be over 35 by the year 2000, the young singles market looks like the group with the largest discretionary income to spend.

Young single workers are the envy of married employees with families to support. In 1980, young single workers spent roughly $220 a month—a third of their entry-level salaries—on food and housing. About another third was spent on leisure, entertainment, cultural activities, and education. Thirteen percent was spent on clothing—nearly double that spent by the average household—and only 5 percent on durables.

Young working women (who usually live at home with their parents) are one of Japan's strongest consumer groups. With marriage increasingly delayed to the ages of 24 through 27, they have a relatively large amount of discretionary income, spending nearly 16 percent of their total income on leisure.

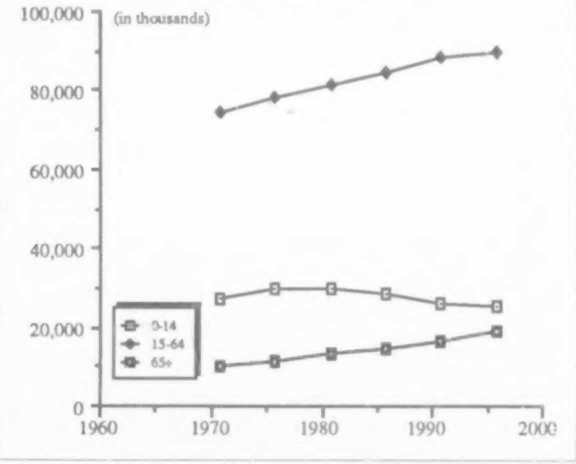
CREATIVITY AND THE FEMALE CONSUMER

"I detest the type of publicity that chants the name of the product over and over," Says Eiko Ishioka, Japan's most successful figure in advertising art. Promoting an entire lifestyle—particularly one that appeals to the young Japanese woman who feels hemmed in by the conventionality of Japanese society—rather than selling an individual product is Japan's new marketing style.

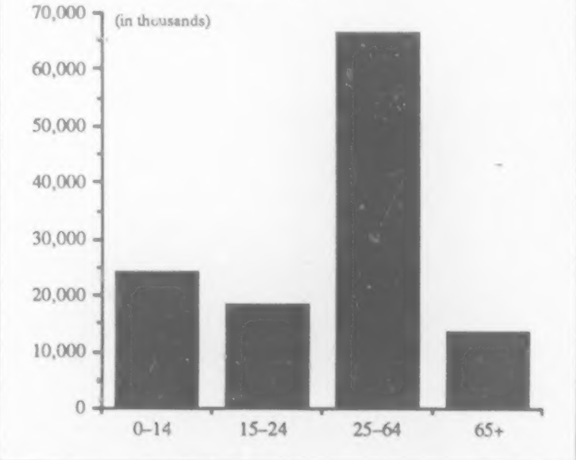
The more illusive, innovative, and controversial the images, the better. The direct, informative approach does not sit well with a consumer looking for the unexpected and creative as a way to perk up her routine life.

NOTE: For more detailed information on Japan, see Japan's New Consumers, *an in-depth Special Report from American Demographics, Inc.*

Japan: Population by age group, 1970–1995



Japan: Population by age group, 1988



take a quick look at Japan

POPULATION DATA FOR 1988

Total population | **122,626,000**
Rate of population growth, calendar year 1988 (percent) | **0.5**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **11.9**
Death rate (deaths per 1,000) | **7.1**
Population under 15 (percent) | **19.8**
Population aged 65 or over (percent) | **11.1**
Median age | **36.4**
Percent of all women in fertile age group (aged 15–49) | **50.1**
Population density (number of persons per square kilometer) | **329**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **75 / 81**
Infant mortality rate (number of deaths per 1,000 live births) | **6**
Population per physician/per nurse | **711 / 210**
Daily calorie supply per capita (calories per person per day) | **2,856**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **94 / 95**
Enrollment in higher education as percent of population aged 20–24 | **30**

Labor force

Percent of labor force in agriculture/industry/services | **11 / 34 / 55**
Percent of population of working age (aged 15–64) | **69**
Age-dependency ratio | **45**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **55**
Enrollment in secondary education as percent of age group | **95**
Percent of married women aged 15–49 using contraceptives | **64**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **76 / 24**
Population of major metropolitan areas
    Tokyo-Yokohama | **25,434,000**
    Osaka-Kobe-Kyoto | **13,562,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.7**
Average annual growth in rural areas, 1980–85 (percent) | **0.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **11,300**
Unemployment (percent) | **2.6**

Luxembourg

THE ULTIMATE CONSUMERS

The Benelux countries form three small but affluent markets that together encompass about 25 million people. Of the three, Luxembourg is the smallest—with only 366,000 people—and it has the lowest density per square kilometer. It also is growing more slowly than any of the three because its birth rate is so low—about 12 births per thousand.

URBAN DWELLERS

Only 18 percent of Luxembourg's population live in rural areas; only about 5 percent of its workforce are engaged in agriculture. But the only large city of any size is the capital which shares the country's name. It contains about 22 percent of the population. The next largest city—Esch-sur-Alzette—has only about 25,000 people. Thus, while it is highly urbanized, the majority of its cities have fewer than 10,000 residents, resulting in an urbanization pattern much different than that of the United Kingdom or France.

Of the European Community countries, Luxembourg has the greatest proportion of immigrants relative to its population. About 26 percent of its population are foreigners, of which the Portuguese are the largest immigrant group. For the most part, immigrants have been easily assimilated into the society. Foreigners take about 90 percent of construction jobs, and more than 50 percent of industrial jobs. As in Switzerland, foreigners are welcome with increasing public awareness that their labor is a necessity. The unemployment rate in Luxembourg is only about 3 percent, lower than all other European countries except Switzerland.

IMMIGRANTS HELP EASE AGING PROBLEM

The median age of Luxembourgers is 36.9 years. The young still outnumber the old. Those aged 65 and older make up 14 percent of the population, while those under age 15 are 17 percent of the population. While the population is aging, just as in Switzerland, the immigrant population helps to keep the age distribution in balance. People aged 20 to 29 constitute 16 percent of the population, primarily because immigrants are most likely to fall within this category. While the overall birth rate is 11.5 per thousand people, it is only 10.7 for Luxembourg natives and 13.5 for immigrants.

> ***Of the European Community countries, Luxembourg has the greatest proportion of immigrants relative to its population.***

Luxembourg natives are actually on the decline while aliens are on the increase, leading officials to worry that the country is experiencing an identity crisis. The former premier suggested that the falling birth rate indicated a "collective tendency toward suicide."

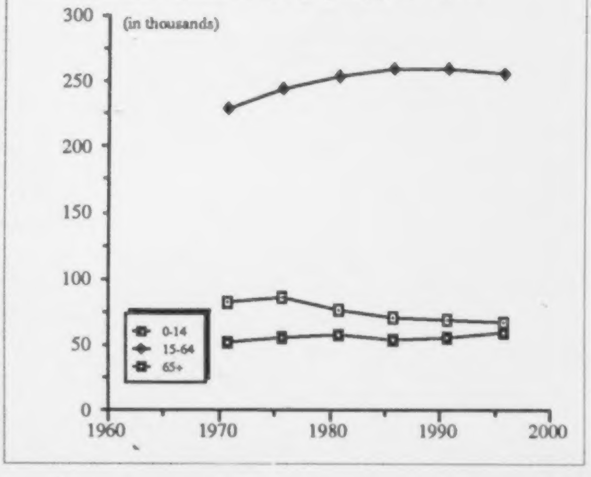
See the September 1985 issue of ***International Demographics*** *for in-depth consumer information about Luxembourg. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

A STABLE, AFFLUENT SOCIETY

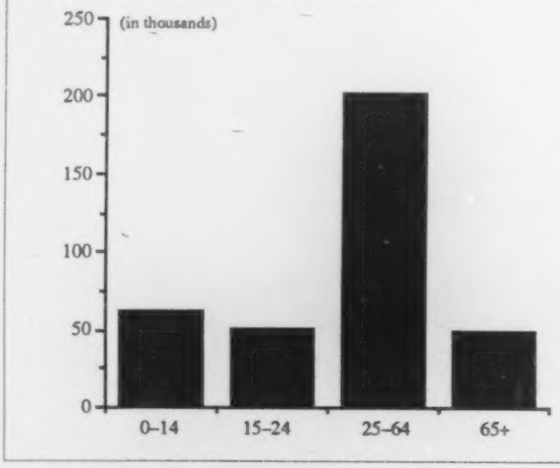
Be that as it may, Luxembourg citizens seem happy with their lot in life. Their standard of living is among the highest in the world.

Among OECD countries, Luxembourg has the highest rate of take-home pay after tax and social security contributions. Including family benefits, a Luxembourg worker in manufacturing can expect to call 94.2 percent of his paycheck his own. Luxembourgers own 385 passenger cars per thousand, 336 televisions per thousand, and have almost the highest number of telephones per thousand in Western Europe at 589.

Luxembourg: Population by age group, 1970–1995



Luxembourg: Population by age group, 1988



take a quick look at Luxembourg

POPULATION DATA FOR 1988

Total population | **366,000**
Rate of population growth, calendar year 1988 (percent) | **0.0**
Lifetime births per woman (total fertility rate) | **1.5**
Birth rate (births per 1,000) | **11.5**
Death rate (deaths per 1,000) | **11.3**
Population under 15 (percent) | **17.0**
Population aged 65 or over (percent) | **13.6**
Median age | **36.9**
Percent of all women in fertile age group (aged 15–49) | **49.4**
Population density (number of persons per square kilometer) | **142**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **735 / 264**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **69 / 67**
Enrollment in higher education as percent of population aged 20–24 | **3**

Labor force

Percent of labor force in agriculture/industry/services | **5 / 25 / 70**
Percent of population of working age (aged 15–64) | **69**
Age-dependency ratio | **44**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **41**
Enrollment in secondary education as percent of age group | **67**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **82 / 18**
Population of major metropolitan area
Luxembourg-Ville | **79,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.8**
Average annual growth in rural areas, 1980–85 (percent) | **-3.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **11,412**
Unemployment (percent) | **3.0**

Netherlands

THE ULTIMATE CONSUMERS

Because of its size, location, and independent spirit, the Netherlands has always been an export-oriented country. Not only do the Dutch reexport items they have finished, assembled, packaged or incorporated into their own products, but they also make extensive investments outside their own country. The Netherlands is more important in foreign trade than its population indicates.

The Dutch use English in conducting international business. Students are pursuing English degrees in increasing quantity—in 1981, 213 degrees in English were granted, up from 57 only 10 years before.

SLOW CHANGE FOR WOMEN

Dutch age distribution, devotion to education, declining birth rate, high degree of urbanization, and reputation for highly individualistic behavior lead one to believe that its women would be economically active. However, the proportion of the labor force made up of women is similar to more rural countries. Only about 34 percent of the labor force are female, and at least 17 percent of women work part-time. Part-time workers are especially prevalent in services such as restaurants and hotels, banking and insurance.

Between the ages of 15 and 24, men and women participate equally in the labor force—about 49 percent of each age group are working. However, between the ages of 25 and 49, 96 percent of men are in the labor force, and 49 percent of women. Between the ages of 50 and 64, 69 percent of men and 19 percent of women are working. And after age 65, 3 percent of men continue to work, but less than one percent of women remain in the labor force. Nevertheless, female participation in the labor force has increased since 1971, when about 26 percent of all women worked. Now, 48 percent of those aged 15 to 64 are in the labor force.

> ***While their participation at university is not as high as men's, Dutch women are more likely than men to earn a vocational degree.***

Women do not obtain higher education at the same rate as men, although this situation is changing as well. In 1970/71, only 14 percent of university degrees went to women. By 1981/82, 28 percent of all degrees were earned by women.

Some professional fields appear to be more open to women. In 1971, only 21 percent of the law degrees went to women, but by 1981 their share had increased to 30 percent. In medicine, 19 percent of the degrees went to women in 1971. By 1981, that share had increased to 21 percent.

While their participation at university is not as high as men's, Dutch women are more likely than men to earn a vocational degree. In 1982, 54 percent of vocational degrees were earned by women. But women are more apt to earn vocational degrees on a part-time

*See the December 1985 issue of **International Demographics** for in-depth consumer information about The Netherlands. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

basis. And, while men's vocational degrees are in such fields as technical, economic, and administrative training, women tend to earn their vocational degrees in teachers' training.

OLDER WOMEN OUTLIVE MEN

Dutch women far outnumber men after age 55. About 18 percent of the population are aged 15 and under, and 13 percent are aged 65 and older. As in most European countries, the age groups that are growing are 20 to 44 and aged 55 and over. Policy-makers are beginning to take a careful look at its health care policies in an attempt to accommodate its aging population.

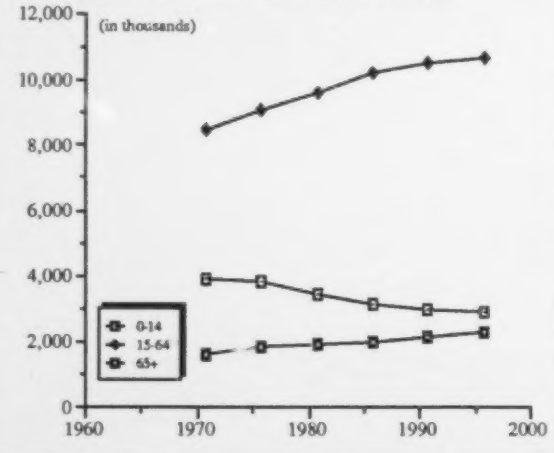
LEISURE CLASS TAKES TO RECREATION AND CULTURE

Middle-aged Dutch appear to partake in cultural and recreational activities more frequently than they did in the mid-1970s. In 1974, 29 percent of persons aged 35 to 64 said they went to the ballet, concerts, or opera. By 1980, 36 percent of the same age group said they attend these events. Those who participated in swimming increased from 32 percent of the age group in 1974 to 44 percent in 1980. Listening to tapes, records, and cassettes increased from only 66 percent of 35-to-64 year olds in 1974 to 78 percent in 1980. Participation in general sports activities increased from 19 percent to 29 percent of the 35-to-64 year old group.

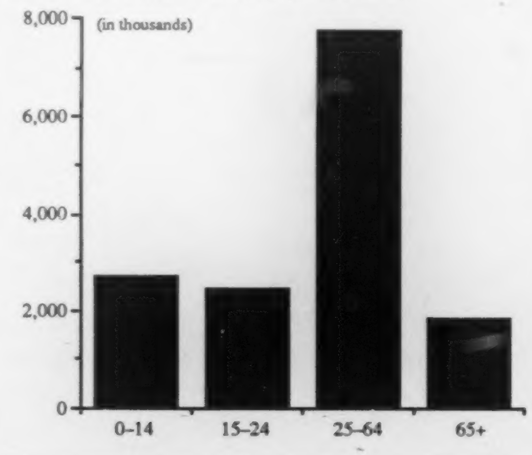
Among 18-to-34 year olds, there were also increases in listening to records, tapes, and cassettes. The biggest increase in television watching was among those aged 65 and older. In 1974, 91 percent said they watched television. By 1980, 96 percent said they did so.

Bicycles are an important means of transportation in the Netherlands. Surveys show that at least a quarter at all transportation for day trips away from home is by bicycle and that, even on short vacations, 10 percent of trips are by bicycle.

Netherlands: Population by age group, 1970–1995



Netherlands: Population by age group, 1988



take a quick look at Netherlands

POPULATION DATA FOR 1988

Total population | **14,716,000**
Rate of population growth, calendar year 1988 (percent) | **0.5**
Lifetime births per woman (total fertility rate) | **1.5**
Birth rate (births per 1,000) | **12.7**
Death rate (deaths per 1,000) | **8.6**
Population under 15 (percent) | **18.3**
Population aged 65 or over (percent) | **12.6**
Median age | **34.1**
Percent of all women in fertile age group (aged 15–49) | **52.5**
Population density (number of persons per square kilometer) | **360**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **462 / 168**
Daily calorie supply per capita (calories per person per day) | **3,343**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **100 / 100**
Enrollment in higher education as percent of population aged 20–24 | **31**

Labor force

Percent of labor force in agriculture/industry/services | **6 / 32 / 63**
Percent of population of working age (aged 15–64) | **69**
Age-dependency ratio | **45**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **48**
Enrollment in secondary education as percent of age group | **100**
Percent of married women aged 15–49 using contraceptives | **77**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **88 / 12**

Population of major metropolitan areas

Rotterdam | **1,021,000**

Amsterdam | **998,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.5**

Average annual growth in rural areas, 1980–85 (percent) | **0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **9,290**

Unemployment (percent) | **12.7**

New Zealand

THE ULTIMATE CONSUMERS

New Zealand and Australia have almost the same birth rate—about 15 births per thousand—but Australia's population is growing at more than 1 percent a year and New Zealand's is growing at less than one percent a year. What has caused this difference? Immigration and death rates. New Zealand gains few new immigrants and a has slightly higher death rate than Australia's.

With 3.3 million people, New Zealand is used to living in the shadow of the much larger Australia. Comparisons between the two traditionally Western nations amid Asia are inevitable, but differences abound. New Zealand, with a median age of 30, is even younger than Australia. Twenty-three percent of its population are younger than age 15 and only 10.7 percent are aged 65 and older.

New Zealand is made up of two islands. Between 1976 and 1981, the population of North Island increased by 2.4 percent to 2.3 million while the population of South Island decreased by 1 percent. The decrease resulted from emigration. More people left for overseas or for North Island than came to live on South Island.

URBAN FOCUS

New Zealand's high rate of urbanization—83 percent—means that the population is relatively concentrated. The overall population density is 12 persons per square mile.

Until 1976 New Zealand's urban areas grew quickly because of developing manufacturing and services industries, which attracted people to new jobs. The majority of immigrants tended to settle in the urban areas and rural residents were enticed by the better social, cultural, educational, and economic opportunities of the cities. Now the rate of urbanization appears to be stabilizing. Gains in rural areas appear to be mainly an expansion of the suburban areas that lie outside the seven largest cities. The greatest rural growth was around Auckland, where the population increased by 12 percent.

New Zealand, with a median age of 30, is even younger than Australia.

While the population has tended to move from South Island to North Island, it also is drifting from the southern part of North Island to the northern part. One reason is that dairy farming has changed: processing factories and services to dairy farmers have become more important. Also, astute manufacturers and processors try to locate their factories as close as possible to the major markets and those are on the northern part of North Island. As in other industrialized countries, inner cities that previously lost population to the suburbs are beginning to see gains again as new multi-story apartment buildings are constructed and urban professionals seek to minimize their commute by living closer to their work.

FEWER CHILDREN, MORE SINGLE PARENTS

The trends in New Zealand's households mirror those of many countries: fewer children per family, an increasing percentage of childless couples, a decline in two-parent families, and an increase in the number of single-parent families. Since 1976, there has been an increase of 19 percent in one- and two-person households so that they now make up 48 percent of all households. In 1981, there were just over 1 million private households in New Zealand.

Sixty-six percent of the households in New Zealand contain one family. Eighty-four percent of those, or 556,000 households, are considered "complete" families with two parents and one or more unmarried children living at home. Eleven percent of family households are single-parent families with children. Eighteen percent of all households, or about 185,000 households, contain only one person.

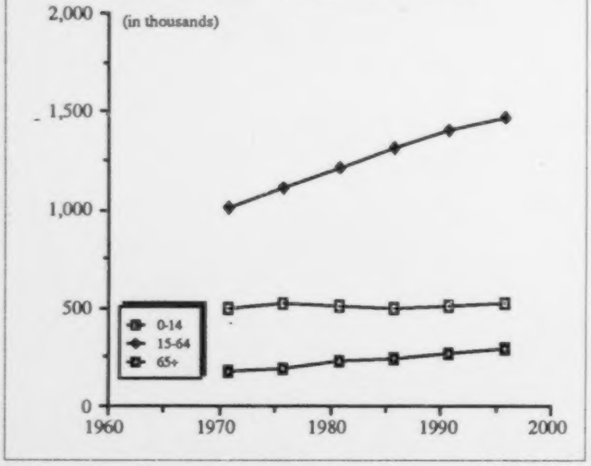
Of the 207,000 households with a married couple and no children, the majority are older couples whose children are no longer at home, rather than childless couples who may still bear children. A third are headed by someone aged 65 and older. Thirty-seven percent are headed by someone aged 45 to 64. These couples are frequently interested in travel, often have more leisure time than couples with children, and often have money available for investments and luxury items. Of the 348,400 households with children, 39 percent have two children and 28 percent have one child. Only 3 percent have five or more children.

SPENDING UP ON LEISURE-TIME AND RECREATIONAL ITEMS

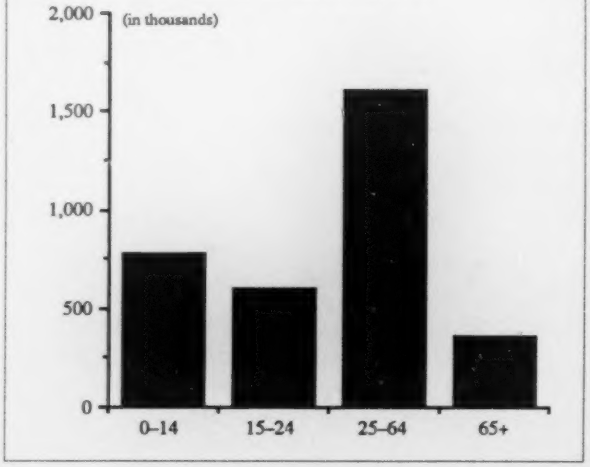
Annual consumer expenditure surveys in New Zealand provide detailed information on spending patterns. For example, while spending on most items has been relatively stable as a proportion of income, spending on equipment and services for educational, cultural, leisure, and recreational purposes has increased. Rents and household services are also increasing as a proportion of average weekly expenditure.

Eighty-three percent of New Zealand households have a car, 13 percent have a motorcycle, and 35 percent have a bicycle. New Zealanders are not, by and large, two-car families. Electricity is more in use than gas. Ninety-four percent of households have an electric cooking stove, and only six percent have a gas range.

New Zealand: Population by age group, 1970–1995



New Zealand: Population by age group, 1988



take a quick look at New Zealand

POPULATION DATA FOR 1988

Total population | **3,343,000**
Rate of population growth, calendar year 1988 (percent) | **0.9**
Lifetime births per woman (total fertility rate) | **1.9**
Birth rate (births per 1,000) | **15.9**
Death rate (deaths per 1,000) | **8.1**
Population under 15 (percent) | **23.4**
Population aged 65 or over (percent) | **10.7**
Median age | **30.0**
Percent of all women in fertile age group (aged 15–49) | **52.0**
Population density (number of persons per square kilometer) | **12**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **10**
Population per physician/per nurse | **610 / 110**
Daily calorie supply per capita (calories per person per day) | **3,386**

Education

Percent literate (male/female, total percent) | **NA / NA, 99**
Enrollment in secondary education as percent of age group (male/female) | **84 / 86**
Enrollment in higher education as percent of population aged 20–24 | **28**

Labor force

Percent of labor force in agriculture/industry/services | **11 / 33 / 56**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **52**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **49**
Enrollment in secondary education as percent of age group | **86**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **83 / 17**
Population of major metropolitan areas
    Auckland | **825,000**
    Wellington | **318,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.0**
Average annual growth in rural areas, 1980–85 (percent) | **0.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **7,010**
Unemployment (percent) | **4.0**

Norway

THE ULTIMATE CONSUMERS

Although Norway's consumer price index has increased more than some of its neighbors' have in the past year, and its economy has suffered slightly from the decline in oil prices, it is still a prosperous country.

FULL EMPLOYMENT

Along with its Scandinavian neighbors, Norway has relatively low rates of unemployment. Even in 1986 when other OECD countries were reporting unemployment of 12 and 13 percent month after month, Norway reported only about 2 percent unemployment. In the middle of 1986, only Switzerland had a lower unemployment rate. This accounts in part for its relatively high GNP per capita of over $14,000.

Women make up nearly 43 percent of the Norwegian labor force. The employment rate for women grew 25 percent between 1975 and 1983. Of that additional employment, only about 5 percent were full-time.

Of the nearly 2 million people in the labor force, nearly 62 percent work in services, 29 percent work in industry, and only 8 percent are employed in agriculture, which includes fishing and forestry, two strong segments in Norway. One reason the market for computers and peripherals, especially software, is fairly strong in Norway is that service businesses have been computerizing to make their services more efficient.

POPULATION TO GROW SLOWLY

About one-fifth of the market in Norway is aged 15 and under. But because Norway had a baby boom, the younger age groups are shrinking as the working age population grows. The population aged 65 and over now amounts to 16.3 percent of the population. This will increase slightly as a percentage of the population through 1990 and then will begin to decline slowly again until 2020.

Women make up nearly 43 percent of the Norwegian labor force.

The total Norwegian population is now 4.2 million and is expected to continue to grow slowly. By the year 2000, the population is expected to number about 4.3 million. Despite continued prosperity, Norway could experience a problem with a lack of new entrants in the labor force, especially in tourism, where it has shown strong growth in the last few years.

COUNTRY LIFE STILL PREVALENT

With only about 70 percent of its population living in urban areas, Norway's residents do not have as easy access to retail stores and other services as do the residents of some

*See the November 1983 issue of **International Demographics** for in-depth consumer information about Norway. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

other OECD countries. For example, in Japan, a survey found that 96 percent of the people in private households were less than 15 minutes walking distance from a store that would satisfy their daily needs. This allows the Japanese woman to use her neighborhood store as her pantry. In Norway, by comparison, only 74 percent of those surveyed could satisfy their daily needs within a 15-minute walk. Ten percent cited that type of retail establishment as being a 30-minute walk away. Even among urban residents, only 90 percent said they were within a 10-to-15-minute walk of a store.

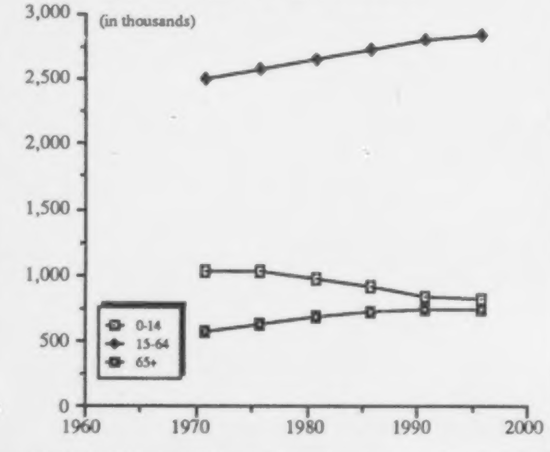
MANY ELDERLY RESTRICTED DUE TO HEALTH PROBLEMS

Although there are only about 683,100 people aged 65 and older in Norway, their health is comparatively worse than the health of those living in some neighboring countries. A survey finds that 60 percent of people aged 65 and older said they were restricted to a great extent in their daily activities because of a long-standing health condition. In Sweden, for example, only 22 percent of the population in the same age group said they had restrictions on their daily activities.

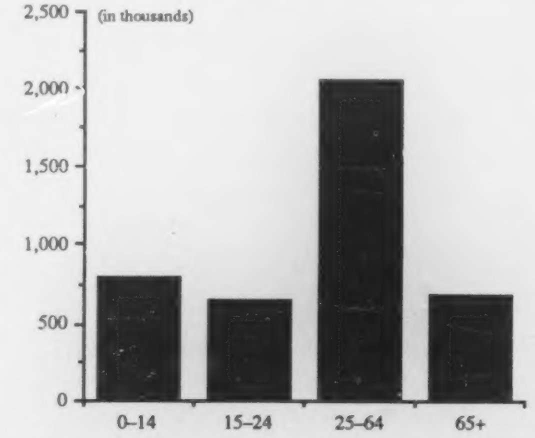
Even among 45-to-64-year-olds in Norway, 38 percent of the population said they were restricted because of health concerns. Despite slow growth in Norway's elderly population, there will be at least parallel growth in the number of people in Norway and those in neighboring countries who feel restricted in their activities. Some of the elderly, therefore, will be attracted to climates that allow them greater activity and make them feel better; others will be greatly restricted in their ability to travel and make use of leisure-time facilities, slowing the growth of these areas of the economy.

Norwegians also showed an extremely high number of "bed" days—or days they were ill enough to be home in bed. Among 15-to-24-year-olds, there was an average of 10 bed days in Norway, but only 5 or fewer in countries such as the Netherlands, Canada, and Finland. Among those aged 65 and over, the number of bed days in Norway was 18, while it was 13 or less in the other countries. The most likely people to spend time in bed in Norway were those living in urban areas.

Norway: Population by age group, 1970–1995



Norway: Population by age group, 1988



take a quick look at Norway

POPULATION DATA FOR 1988

Total population | **4,191,00**
Rate of population growth, calendar year 1988 (percent) | **0.3**
Lifetime births per woman (total fertility rate) | **1.7**
Birth rate (births per 1,000) | **12.5**
Death rate (deaths per 1,000) | **10.7**
Population under 15 (percent) | **19.0**
Population aged 65 or over (percent) | **16.3**
Median age | **35.3**
Percent of all women in fertile age group (aged 15–49) | **48.8**
Population density (number of persons per square kilometer) | **13**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **7**
Population per physician/per nurse | **453 / 70**
Daily calorie supply per capita (calories per person per day) | **3,239**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **95 / 99**
Enrollment in higher education as percent of population aged 20–24 | **29**

Labor force

Percent of labor force in agriculture/industry/services | **8 / 29 / 62**
Percent of population of working age (aged 15–64) | **65**
Age-dependency ratio | **54**

STATUS OF WOMEN

Labor force participation rate (percent of women 16–64 in the labor force) | **68**
Enrollment in secondary education as percent of age group | **99**
Percent of married women aged 15–49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **70/30**
Population of major metropolitan areas
  Oslo | **447,000**
  Bergen | **207,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.9**
Average annual growth in rural areas, 1980–85 (percent) | **-1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **14,370**
Unemployment (percent) | **2.5**

Singapore

THE ULTIMATE CONSUMERS

Singapore's economic growth has become the envy of the Pacific region. The skills, knowledge, and motivation of the "garden city's" 2.6 million people, who live on an island only 42 by 22 kilometers, brought this tiny state the highest per capita income of any Asian nation, barring Japan. Without raw materials, the cumbersome inertia of heavy industry, and a tradition of the dole, Singapore has become the prototypical information society—one in which 70 percent of its GNP comes from the service sector.

WAGE INCREASES ON HOLD

After a brief economic slump, Singapore's economy has begun to revive. Exports rose 8 percent from a year earlier in the first half of 1987 to $14.2 billion. Imports rose by 14 percent to $14.8 billion. However, the rapid wage increases and steep rise in living standards (average weekly earnings rose by 14 percent in 1981, 15.3 percent in 1982, and 9 percent in 1983) may slow significantly in the future.

Singapore's population grew 16.4 percent during the 1970s, up from 2 million. A successful, but controversial, family planning policy kept the average annual growth rate at 1.5 percent between 1970 and 1980, compared with an annual rate of 2.8 percent during the 1960s.

FEWER BABIES, MORE ELDERLY

Although the Singaporean population is younger than that of the U.S., it is aging for the same reasons—declining fertility and the disproportionately large group of post-war baby-boomers pushing into mid-life. In 1970, almost 40 percent of the population were under age 15 and less than 6 percent were aged 60 and over. But, by 1980, those under age 15 fell to only about 27 percent of the population while those aged 60 and over had grown to 7 percent of the population. By the year 2000, about 11 percent of the population are expected to be aged 60 and over. By 2020, 22.8 percent of the population will be elderly.

> ***Without raw materials, the cumbersome inertia of heavy industry, and a tradition of the dole, Singapore has become the prototypical information society—one in which 70 percent of its GNP comes from the service sector.***

Singapore banks on its highly educated youth as assurance for the future. Ten percent of its high school graduates attend college. For those who don't attend college, technical training is readily available.

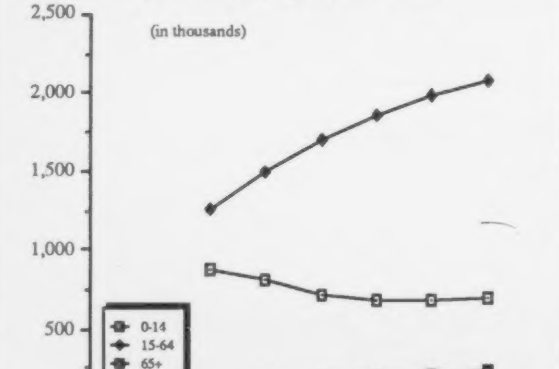
During the height of economic expansion, Singapore was able to employ almost all of its disproportionately large group of post-war baby boomers. Unemployment was only 2.9 percent in 1981, 2.6 percent in 1982, and 3.2 percent in 1983.

See the July 1982 issue of ***International Demographics*** *for in-depth consumer information about Singapore. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

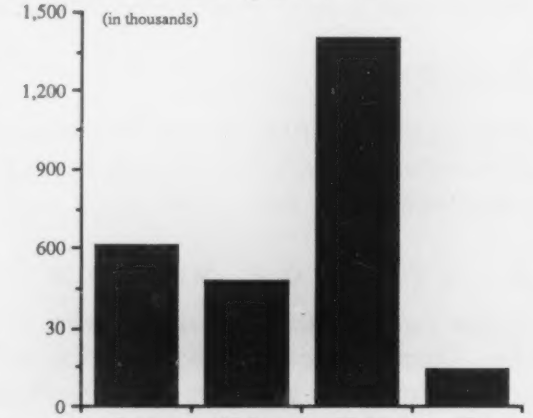
WOMEN IN THE WORKFORCE

About 48 percent of Singaporean women work. The availability of foreign domestic help, especially Malays and Filipinos, has helped support this participation rate. Those in the workforce average about 2.4 children per woman, as compared with 3.8 children per non-working woman. Educational attainment for women also has climbed steadily. The number of literate women grew 64 percent between 1970 and 1980. In the last 10 years, secondary school enrollment for women has increased two times faster than the rate for men.

Singapore: Population by age group, 1970–1995



Singapore: Population by age group, 1988



take a quick look at Singapore

POPULATION DATA FOR 1988

Total population | **2,645,000**
Rate of population growth, calendar year 1988 (percent) | **1.1**
Lifetime births per woman (total fertility rate) | **1.6**
Birth rate (births per 1,000) | **16.3**
Death rate (deaths per 1,000) | **5.3**
Population under 15 (percent) | **23.2**
Population aged 65 or over (percent) | **5.5**
Median age | **28.8**
Percent of all women in fertile age group (aged 15–49) | **59.9**
Population density (number of persons per square kilometer) | **4,281**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71 / 76**
Infant mortality rate (number of deaths per 1,000 live births) | **9**
Population per physician/per nurse | **1,010 / 340**
Daily calorie supply per capita (calories per person per day) | **2,771**

Education

Percent literate (male/female, total percent) | **91 / 76, 83**
Enrollment in secondary education as percent of age group (male/female) | **70 / 73**
Enrollment in higher education as percent of population aged 20–24 | **12**

Labor force

Percent of labor force in agriculture/industry/services | **2 / 38 / 61**
Percent of population of working age (aged 15–64) | **71**
Age-dependency ratio | **40**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **48**
Enrollment in secondary education as percent of age group | **73**
Percent of married women aged 15–49 using contraceptives | **74**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **100 / 0**
Population of major metropolitan areas
Singapore City | **2,645,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.2**
Average annual growth in rural areas, 1980–85 (percent) | **NA**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **7,420**
Unemployment (percent) | **4.1**

Spain

THE ULTIMATE CONSUMERS

Spain is one of the youngest countries in the European Community. With a median age of 32.5 years and nearly 22 percent of its population under age 15, Spain is still readily influenced by its young.

Spain's standard of living, however, is one of the lowest in the Community, which has caused growing concern for government officials. Annual per capita GNP is estimated at $4,290.

Only 13 percent of Spain's population are aged 65 and over, and a fairly large share of its 38.8 million residents—64 percent—are of working age.

SPANISH LIFE REMAINS CENTERED AROUND FAMILY

While in many European countries later marriage, smaller families, and rising divorce rates have taken their toll, life in Spain is still family-centered. In Spain household size is expected to remain at 3.5 persons per household through 1990 and 3.2 persons per household through the year 2000, reflecting the fact that three generations often live under one roof. Unmarried women usually live with their families. In Spain, marriage usually does not take place until the breadwinner is firmly established and can provide a comfortable life. Men often do not marry until they reach age 30 or older.

SERVICES LAG

The service industries employ less than half the labor force in Spain. Seventeen percent of the population are employed in agriculture, the highest among OECD countries except for Greece, Portugal, and Turkey. Unemployment rates reached 21 percent in 1986, the highest in the OECD. Entry level jobs are at a premium. Of all the unemployed in Spain, 39 percent are new job entrants. Among women, 59 percent of job seekers are new entrants to the labor market, reflecting the increased desire of women to go to work, especially before they marry.

> ***In Spain, average household size is expected to remain at 3.5 persons through 1990 and 3.2 persons through the year 2000, reflecting the fact that three generations often live under one roof.***

Women who are married and have children are not as active in the job market. While nearly 30 percent of female workers between the ages of 15 and 24 are seeking work, only 7 percent of women between the ages of 25 and 44 are job hunting

Production and related workers are the largest occupational group in Spain. Professional and technical workers are 7.5 percent of the workers and administrative, executive, and managerial occupations add only 1.4 percent.

CONSUMER DURABLES

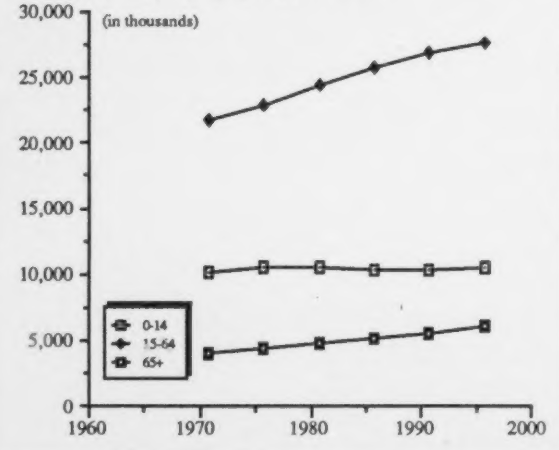
Spain is not a market for frozen convenience foods and will probably not be a growth

*See the November 1984 issue of **International Demographics** for in-depth consumer information about Spain. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

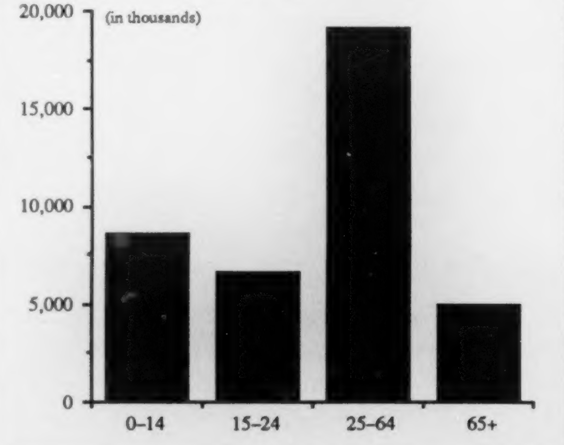
market for labor-saving devices for several years. While 94 percent of households have a refrigerator, only 13 percent of households have a deep freeze. Only 1 percent of households have a microwave oven, a similar share to most other OECD countries. Coffee and tea makers are relatively rare in households compared with other OECD countries. There should be growth in basic appliances and packaged goods as employment prospects improve and more women enter the workforce.

The Spanish do not spend as much on housing and utilities as some of their European neighbors. Only 13 percent of a household's budget goes to these necessities, whereas some more northerly countries spend 20 percent of their household budget on housing. Food, beverages, and tobacco, however, take a larger percentage—30 percent of the household budget (28 percent of which is spent on food). Transportation and communication take only 12 percent of the household budget, compared to some other countries where two cars and a telephone in every household is more common. Spending on recreation, entertainment, education, and cultural services has actually decreased in the past few years. In 1978, this type of spending took 7.4 percent of the household budget. By 1983, that had decreased to 6.5 percent. Spending on furniture and household furnishings has also decreased, doubt reflecting the effects of high unemployment and deep recession. ■

Spain: Population by age group, 1970–1995



Spain: Population by age group, 1988



take a quick look at Spain

POPULATION DATA FOR 1988

Total population | **39,210,000**
Rate of population growth, calendar year 1988 (percent) | **0.5**
Lifetime births per woman (total fertility rate) | **1.7**
Birth rate (births per 1,000) | **13.1**
Death rate (deaths per 1,000) | **8.3**
Population under 15 (percent) | **21.7**
Population aged 65 or over (percent) | **12.6**
Median age | **32.5**
Percent of all women in fertile age group (aged 15–49) | **47.8**
Population density (number of persons per square kilometer) | **78**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74 / 80**
Infant mortality rate (number of deaths per 1,000 live births) | **11**
Population per physician/per nurse | **390 / 280**
Daily calorie supply per capita (calories per person per day) | **3,358**

Education

Percent literate (male/female, total percent) | **96 / 90, 93**
Enrollment in secondary education as percent of age group (male/female) | **88 / 91**
Enrollment in higher education as percent of population aged 20–24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **17 / 37 / 46**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **52**

STATUS OF WOMEN

Labor force participation rate (percent of women 16–64 in the labor force) | **27**
Enrollment in secondary education as percent of age group | **91**
Percent of married women aged 15–49 using contraceptives | **59**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **77 / 23**
Population of major metropolitan areas
  Madrid | **4,137,000**
  Barcelona | **3,842,000**
Average annual growth in urban areas, 1980–85 (percent) | **1.4**
Average annual growth in rural areas, 1980–85 (percent) | **-1.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **4,290**
Unemployment (percent) | **22.0**

Switzerland

THE ULTIMATE CONSUMERS

While other European countries and the United States debate problems of immigration, Switzerland entertains one of the largest proportions of foreign workers of any country in the world. Fifteen percent of the country's population come from somewhere else, and more than 20 percent of the labor force is made up of year-round foreign workers. One reason the Swiss may not be quite as concerned about immigration as the Americans or the West Germans is that most of their foreign workers are from neighboring European countries. They speak languages and have cultures and religions that are familiar to the average Swiss. Italians make up the largest group of foreign workers, followed by Spaniards, French, and Germans.

Aside from foreign workers, there are no distinct ethnic or minority groups in Switzerland. The country relies on two languages —French and German—and the Swiss are required to learn more than one language in school. The country is about half Protestant and half Roman Catholic. It is common for Swiss couples to have different mother tongues and different religious beliefs.

AGING POPULATION WILL OUTPACE YOUTH

Switzerland's low birth rate and rapidly aging population will affect its demographic status within the next five years.

Presently, people aged 0 to 14 and those aged 65 and over hold equal shares of the population—about 15 percent each. But, in just four years, projections show that the older group will outdistance the younger. By 1990, the group aged 65 and older is expected to be about 17 percent of the population, while the younger group will be only 13.5 percent. And, by 1995, the imbalance will be even greater—19 percent aged 65 and older and only about 12 percent under age 14. Switzerland will soon face the problems of its neighbors.

> ***The Swiss GNP per capita is one of the highest in the world, and its unemployment rate is one of the lowest.***

The one factor that has slowed this trend in Switzerland is the presence of the foreign workers. But unlike some other countries, where foreign families contribute to the birth rate substantially, foreign workers in Switzerland tend to be primarily men and temporary workers—younger than their Swiss counterparts, but not adding significantly to birth statistics. Thus, the birth rate remains one of the lowest among European countries at 11.5 births per thousand.

AN AFFLUENT SOCIETY

The Swiss GNP per capita is one of the highest in the world, and its unemployment rate is one of the lowest. In 1987, The World

*See the July 1984 issue of **International Demographics** for in-depth consumer information about Switzerland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

Bank estimated Swiss GNP per capita at $16,370. Its unemployment rate has been approximately 1 percent, another reason why there is less concern than in some other countries about foreign workers. About 37 percent of Swiss workers are women and nearly 52 percent of the eligible women in Switzerland participate in the workforce, thus making two-income households the norm.

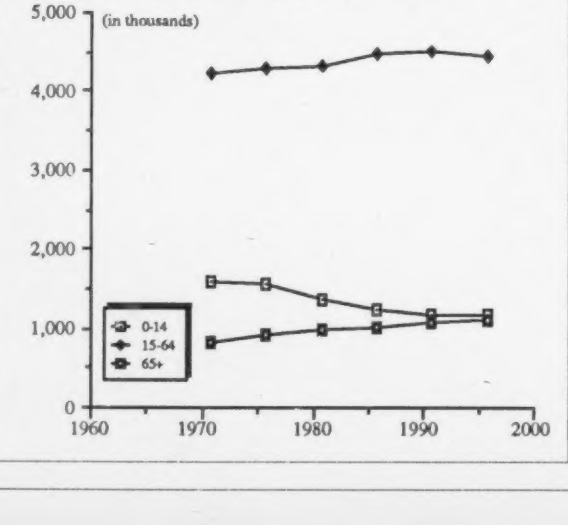
Despite Switzerland's reputation as a center for banking and other financial services, it still maintains strong agricultural and industrial sectors. While 55 percent of the labor force works in services (a large portion of which goes to tourism), nearly 6 percent are still employed in agriculture and fully 39 percent work in industry, manufacturing such products as chocolate, watches, and other precision instruments for which the Swiss are well known.

The average Swiss manufacturing worker takes home 87.9 percent of his gross pay, when family benefits are included, and taxes and social security deductions are taken out. This is about 10 percent more than in such countries as West Germany and Sweden, and may account for the fact that the Swiss consumption of household goods is fairly high in comparison with some neighbors. The Swiss save about 4 percent of their disposable income.

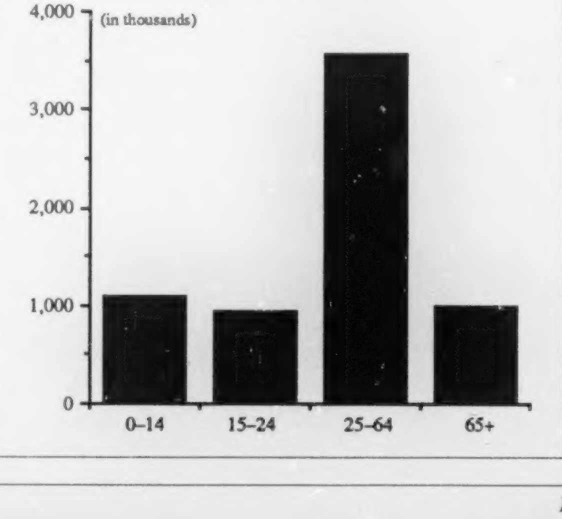
SWISS CONSUMPTION

The high percentage of women working in Switzerland may contribute to its relatively high percentage of ownership of such appliances as refrigerators and food processors. While rates of television ownership are low compared with other European nations (the topography of Switzerland makes it a prime candidate for cable television to ensure good reception), nearly 100 percent of households have radios and 85 percent of households have tape cassettes.

Switzerland: Population by age group, 1970–1995



Switzerland: Population by age group, 1988



take a quick look at Switzerland

POPULATION DATA FOR 1988

Total population | **6,593,000**
Rate of population growth, calendar year 1988 (percent) | **0.3**
Lifetime births per woman (total fertility rate) | **1.6**
Birth rate (births per 1,000) | **11.5**
Death rate (deaths per 1,000) | **9.5**
Population under 15 (percent) | **16.8**
Population aged 65 or over (percent) | **14.9**
Median age | **37.5**
Percent of all women in fertile age group (aged 15–49) | **49.5**
Population density (number of persons per square kilometer) | **160**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74 / 82**
Infant mortality rate (number of deaths per 1,000 live births) | **6**
Population per physician/per nurse | **390 / 130**
Daily calorie supply per capita (calories per person per day) | **3,432**

Education

Percent literate (male/female, total percent) | **NA / NA, 99**
Enrollment in secondary education as percent of age group (male/female) | **65 / 74**
Enrollment in higher education as percent of population aged 20–24 | **21**

Labor force

Percent of labor force in agriculture/industry/services | **6 / 39 / 55**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **46**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **52**
Enrollment in secondary education as percent of age group | **74**
Percent of married women aged 15–49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **58 / 42**

Population of major metropolitan areas

- Zurich | **840,000**
- Geneva | **372,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.6**

Average annual growth in rural areas, 1980–85 (percent) | **-0.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **16,370**

Unemployment (percent) | **1.0**

United States

THE ULTIMATE CONSUMERS

The sheer size of the United States—246 million people—and its relatively high standard of living make it an attractive target market for almost every product and service. But there are still demographic trends that make it more attractive for some products and services than for others.

MASS MARKET CHANGES

After World War II, Americans settled into home and family with a vengeance. They wanted washing machines, refrigerators, cars, and other goods. If a neighbor's children ate Jello, a woman wanted Jello for her children too. White appliances and red Jello would do for everyone.

But as the society has grown and developed, meeting individual wants and desires has become a main objective for marketers.

UNDERSTANDING THE BABY BOOM IS CRITICAL

The baby boom in the United States occurred between 1946 and 1964. While other countries such as Japan and France also experienced baby booms, none was of the size or the length of the one in the United States. The effects of this baby boom are still felt throughout society. The approximately 75 million people who are part of the baby boom currently set the pace in work and play in the United States because they are such a large share of the population. In 1988, they are aged 24 to 42. They are out of high school. The members of the younger group are embarking on careers and looking for lasting relationships. The members of the older group are moving into middle age and middle management, reevaluating their lives, and, in most cases, entering the most productive and best-paid time of their lives. Despite the fact that the baby boomers are widely cast as being well-off, 9 million of them live in poverty.

> ***Seventy percent of baby-boom women are in the workforce.***

The movement of all the baby boomers into their most productive years as well as into the primary years for "pairing and nesting" means substantial growth in the demand for financial services and continuing education as well as for single family housing, household furnishings, and the other trappings of family life. The fact that 70 percent of baby-boom women are in the workforce reinforces the demand for many of these items.

TRENDS IN WOMEN'S LIVES MAKE THE DIFFERENCE

Since the advent of readily available birth control in the mid 1960s, women's lives in the United States have changed significantly.

First, the birth rate has dropped dramatically. The U.S. birth rate in 1955 was 24.9

births per thousand. By 1986, it had dropped to just over 15 births per thousand. Women are still mothers, but each woman is having fewer children, and devoting less of her time and energy to childrearing.

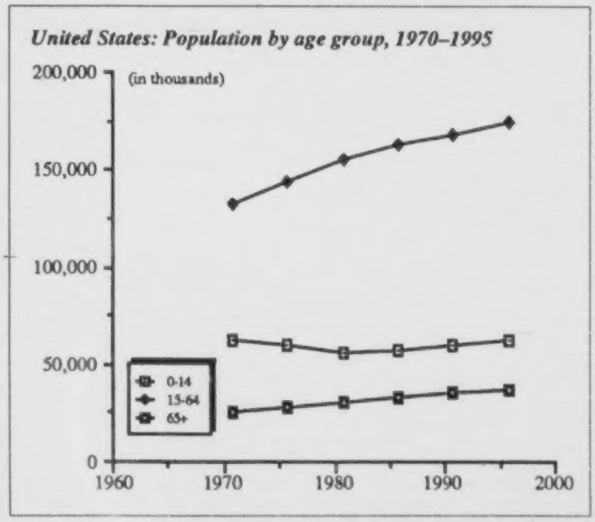
Second, women are better educated than ever before. In the United States 95 percent of young women are enrolled in high school and more than a fifth of high school graduates go on to college. Women in their 30s and 40s are increasingly returning to college to earn another degree or finish one they started. Once women have devoted two to four or more years of their life to higher education, they want to use their knowledge.

Sixty-two percent of women in the United States aged 15 to 64 work at jobs outside their homes. The rate does vary slightly depending on their home situation. Among married women with children under age 6, 54 percent work. Among those with children aged 6 to 17, 68 percent work. Among married women with no children at home, 48 percent work. The majority of these women work because their families depend on their incomes to maintain the lifestyle they would like to live.

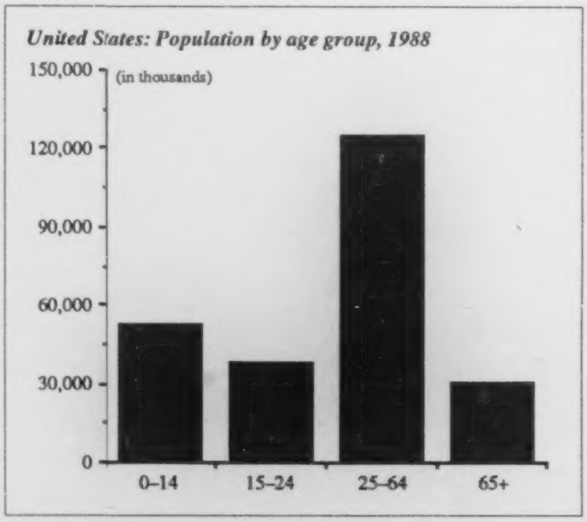
Having so many women at work has changed the way Americans live and opened up a whole spectrum of [illegible] products and services. Household cleaning services and laundries are once again in demand. Eating out has increased. Teenagers and men are increasingly responsible for household shopping, cleaning, and other chores once solely the work of women. Greater fragmentation is one of the results. In families who once ate the same meal—the one mother prepared—each member now chooses from a variety of entrees in the freezer or one family member buys Mexican take-out and another has pizza.

FRAGMENTATION

Niche marketing is the trend in the United States. Marketers must look not only at age and income, but also at lifestyles and attitudes to determine who their customers are. Growth areas include health care, financial services, household services, personal electronic products, and women's business apparel.



United States: Population by age group, 1970–1995



United States: Population by age group, 1988

take a quick look at the USA

POPULATION DATA FOR 1988

Total population | **246,043,000**
Rate of population growth, calendar year 1988 (percent) | **0.9**
Lifetime births per woman (total fertility rate) | **1.9**
Birth rate (births per 1,000) | **15.3**
Death rate (deaths per 1,000) | **8.8**
Population under 15 (percent) | **21.5**
Population aged 65 or over (percent) | **12.3**
Median age | **32.4**
Percent of all women in fertile age group (aged 15–49) | **51.5**
Population density (number of persons per square kilometer) | **26**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 79**
Infant mortality rate (number of deaths per 1,000 live births) | **11**
Population per physician/per nurse | **500 / 180**
Daily calorie supply per capita (calories per person per day) | **3,663**

Education

Percent literate (male/female, total percent) | **97 / 97, 97**
Enrollment in secondary education as percent of age group (male/female) | **95 / 95**
Enrollment in higher education as percent of population aged 20–24 | **57**

Labor force

Percent of labor force in agriculture/industry/services | **4 / 31 / 66**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **51**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **62**
Enrollment in secondary education as percent of age group | **95**
Percent of married women aged 15–49 using contraceptives | **68**

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URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **74 / 26**
Population of major metropolitan areas
- New York | **14,598,000**
- Los Angeles | **9,638,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.9**
Average annual growth in rural areas, 1980–85 (percent) | **0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **16,690**
Unemployment (percent) | **7.1**

Union of Soviet Socialist Republics

THE ULTIMATE CONSUMERS

The USSR, with a population of 286 million people, is larger than the United States, is growing at about the same rate, and is slightly younger. In comparison with Western European countries, it is considerably younger than most, growing more quickly, and it could offer a market that is almost as large as all of Western Europe combined.

CHANGING ETHNICITY

For the USSR, it is difficult to calculate a GNP equivalent in dollars, but the most recent figures from The World Bank for 1980 estimate the per capita GNP at about $4,190. This figure was lower than that calculated for East Germany, Czechoslovakia, and Hungary, but higher than that for Poland, Bulgaria, Romania, and Yugoslavia.*

Age distribution is important in any culture. In the USSR, the median age is 30.4 years, one year less than the median age in the United States, and 3 or 4 years less than most members of the Common Market. Despite its moderate median age, the USSR is a country of age extremes because of differences in the birth and death rates among ethnic groups.

Birth rates are dropping and death rates are rising slightly among European Russians—so-called Great Russians—causing that population to be in decline. At the same time, birth rates are substantially higher among people who live in the Moslem republics of Central Asia—so much so that in some parts of the Republic birth rates of the Central Asians are as much as triple those of the European Russians. When all ethnic groups are taken into account, Soviet women have 2.5 children on average, compared with about 1.9 children per woman in the United States.

> ***European Russians who made up 52.4 percent of the population in 1979 are expected to decline to 46.7 percent of the population by the turn of the century, while Moslems, only about 16 percent in 1979, will increase to about 21 percent of the population.***

The European Russians who made up 52.4 percent of the population in 1979 are expected to decline to 46.7 percent of the population by the turn of the century, while Moslems, only about 16 percent in 1979, will increase to about 21 percent of the population. Ukrainians, Balts, Belorussians, and other groups make up the rest. This shift in ethnic groups will also change the make-up of military recruits as well as entry-level workers in the labor force.

The differences in age distribution among ethnic groups, however, result in nearly half of the population being dependent on the labor force, a dangerous situation in terms of economic stability and health care.

THE STATUS OF WOMEN

Much is made of the equal opportunities afforded to Soviet women, and women who are interviewed by the press are often scientists, physicians, or others in highly-skilled positions. However, while 82 percent of Soviet young men are enrolled in secondary school, only 77 percent of women are enrolled. At the same time, Soviet custom and necessity require everyone to have a job. But because women fall behind men in educational attainment, they are less competitive in the job market.

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* *For a full discussion, see* Dollar GNPs of the USSR and Eastern Europe, *The World Bank, 1985.*

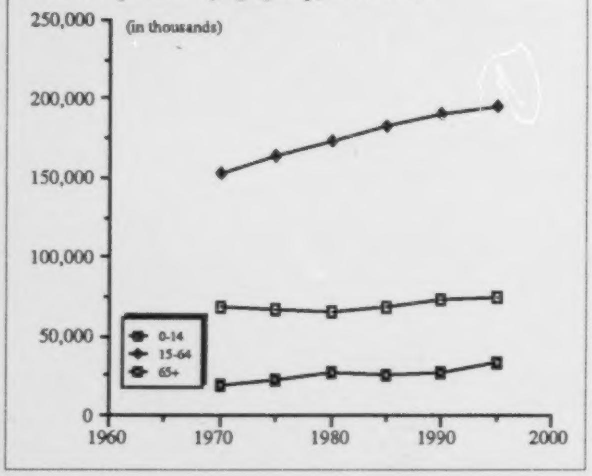
The lack of labor-saving devices available to Soviet families means that women spend more than 30 hours a week on shopping and housework. Euromonitor has been able to collect statistics on ownership for only a few appliances. Euromonitor finds that 65 percent of Soviet households have a refrigerator, 55 percent have a washing machine, 38 percent have a television, and 40 percent have a radio. Data on other appliances are not available, but the percentage of households without a refrigerator is the highest among all European countries except for Romania and Bulgaria. Shopping, then, is almost a daily occurrence. Add food shortages to storage problems and it is apparent how much time must be spent involved with household chores.

DECLINING HEALTH

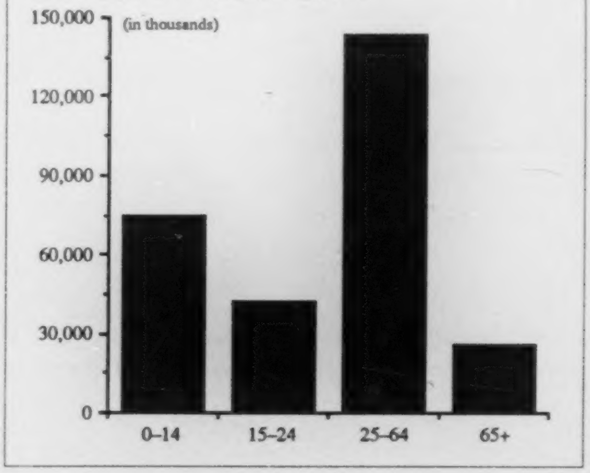
The rising death rates in the USSR and the growing concern of politicians about the decline among the Great Russian population have received considerable attention lately. By and large, Western nations have taken advantage of medications that help to prevent strokes caused in part by high blood pressure. They have reduced cigarette smoking. In this area, the USSR lags way behind.

Men in the USSR are plagued by high levels of alcoholism, even though reported consumption figures do not show especially high levels of alcohol consumption per capita among the Soviet people as a whole. ■

USSR: Population by age group, 1970–1995



USSR: Population by age group, 1988



take a quick look at the USSR

POPULATION DATA FOR 1988

Total population | **286,435,000**
Rate of population growth, calendar year 1988 (percent) | **0.8**
Lifetime births per woman (total fertility rate) | **2.5**
Birth rate (births per 1,000) | **18.8**
Death rate (deaths per 1,000) | **10.6**
Population under 15 (percent) | **26.0**
Population aged 65 or over (percent) | **9.1**
Median age | **30.4**
Percent of all women in fertile age group (aged 15–49) | **46.3**
Population density (number of persons per square kilometer) | **13**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **64 / 74**
Infant mortality rate (number of deaths per 1,000 live births) | **25**
Population per physician/per nurse | **238 / 82**
Daily calorie supply per capita (calories per person per day) | **3,000**

Education

Percent literate (male/female, total percent) | **100 / 100, 100**
Enrollment in secondary education as percent of age group (male/female) | **NA**
Enrollment in higher education as percent of population aged 20–24 | **21**

Labor force

Percent of labor force in agriculture/industry/services | **20 / 39 / 41**
Percent of population of working age (aged 15–64) | **65**
Age-dependency ratio | **54**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–60 in the labor force) | **75**
Enrollment in secondary education as percent of age group | **NA**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural)	**64 / 36**
Population of major metropolitan areas	
Moscow	**9,873,000**
Leningrad	**4,569,000**
Average annual growth in urban areas, 1980–85 (percent)	**1.8**
Average annual growth in rural areas, 1980–85 (percent)	**-0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$)	**4,190**
Unemployment (percent)	**NA**

Yugoslavia

THE ULTIMATE CONSUMERS

As a pivotal country located on the edge of the Iron Curtain, Yugoslavia walks a fine line. Its economic well-being, however, is highly dependent on its relationship with non-Communist countries. Among the Eastern Bloc countries, it is one of the few that looks westward rather than eastward. Keeping it turned in that direction is one of the reasons Western European governments include attention to Yugoslavia in their economic and social planning.

In 1983, 1.5 million Yugoslavians were resident in foreign countries. A million of them lived in Europe. They remitted $4.4 million a year in hard currency to their home country. In Yugoslavia remittances are the second most important source of hard currency after exports.

As the Western European countries have decreased their reliance on migrant labor, fewer Yugoslavians have opportunities in the European Community. Still, the ones who migrated at an earlier time continue to send remittances home. Those remittances were about 20 percent of current account receipts in 1985.

The World Bank estimated annual per capita GNP in Yugoslavia for 1983 at $2,490. Its preliminary estimate for 1984 declined to $2,070. A World Bank study done in 1980 which attempted to quantify and compare incomes of the USSR and Eastern Europe gave Yugoslavia the lowest per capita GNP of the eight countries.

NEED FOR MODERNIZATION

Among other items, Yugoslavia's important exports include wine and textiles. Although it has a range of industries, many are old-fashioned and the country is not very export-oriented. One priority is to make manufacturing more competitive. This is especially important with the entry of Spain and Portugal into the European Community. These two countries share many characteristics with Yugoslavia, but they will now have the competitive advantage of EEC membership.

> ***A World Bank study done in 1980 which attempted to quantify and compare incomes of the USSR and Eastern Europe gave Yugoslavia the lowest per capita GNP of the eight countries.***

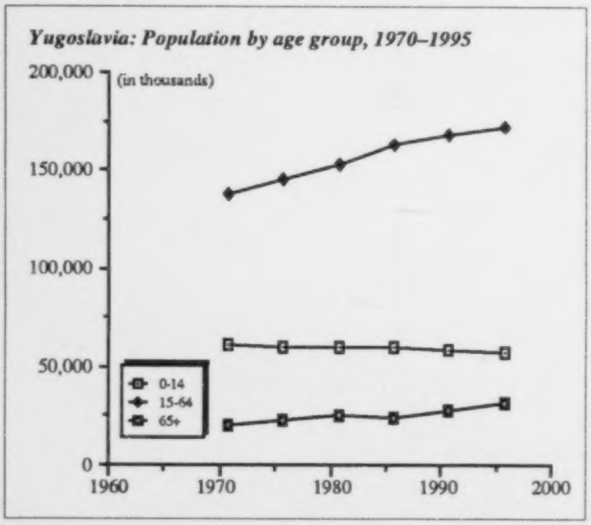
YOUTH POPULATION WILL DOMINATE

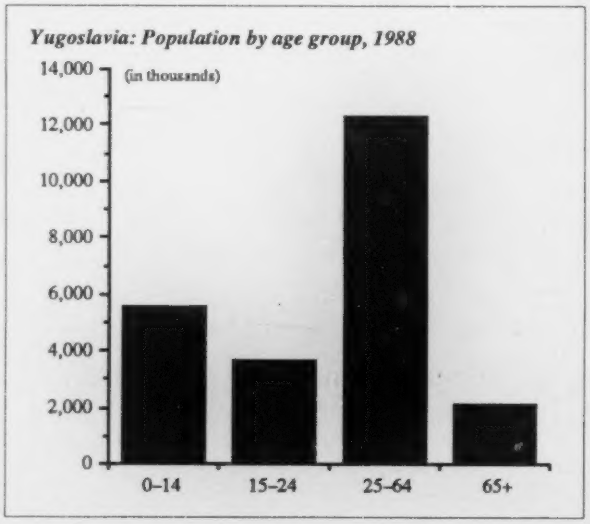
Like many other Mediterranean countries, Yugoslavia has a young age structure. Nearly 24 percent of its population are children aged 0 to 14. Only 9 percent of its residents—a very small percentage compared with other European countries—are aged 65 and over. Median age is 32 years. Life expectancy is still only 68 years for men and 75 years for women, so the aging population will continue to grow slowly until general health conditions and health care improve in the country. Not until 1995 are those aged 65 and over expected to reach even 10 percent of the population.

Those of working age, on the other hand, continue to make up about 68 percent of the population. These people will need jobs at home, as the ability to find jobs as migrant laborers in nearby markets is diminishing.

TOURIST INDUSTRY ON THE RISE

Tourism has grown steadily in recent years. In 1984, nights spent in accommodations increased by 19.6 percent over the prior year, the highest increase among all European countries. Receipts from tourism increased 46 percent in real terms between 1983 and 1984. In 1984, Yugoslavia had as many hotels as did Switzerland. It also had the most campsites of any Mediterranean country except Italy. While countries such as Hungary and Poland attract the majority of their visitors from other Eastern European countries, tourists to Yugoslavia frequently come from West Germany, Italy, Austria, and the United Kingdom.


Yugoslavia: Population by age group, 1970–1995


Yugoslavia: Population by age group, 1988

take a quick look at Yugoslavia

POPULATION DATA FOR 1988

Total population | **23,580,000**
Rate of population growth, calendar year 1988 (percent) | **0.6**
Lifetime births per woman (total fertility rate) | **2.0**
Birth rate (births per 1,000) | **15.4**
Death rate (deaths per 1,000) | **9.2**
Population under 15 (percent) | **23.4**
Population aged 65 or over (percent) | **8.9**
Median age | **32.1**
Percent of all women in fertile age group (aged 15–49) | **49.1**
Population density (number of persons per square kilometer) | **92**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68 / 75**
Infant mortality rate (number of deaths per 1,000 live births) | **26**
Population per physician/per nurse | **601 / 300**
Daily calorie supply per capita (calories per person per day) | **3,602**

Education

Percent literate (male/female, total percent) | **96 / 85, 90**
Enrollment in secondary education as percent of age group (male/female) | **84 / 80**
Enrollment in higher education as percent of population aged 20–24 | **20**

Labor force

Percent of labor force in agriculture/industry/services | **32 / 33 / 34**
Percent of population of working age (aged 15–64) | **68**
Age-dependency ratio | **48**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **43**
Enrollment in secondary education as percent of age group | **80**
Percent of married women aged 15–49 using contraceptives | **55**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **47 / 53**
Population of major metropolitan areas
  Belgrade | **1,088,000**
  Zagreb | **650,000**
Average annual growth in urban areas, 1980–85 (percent) | **2.5**
Average annual growth in rural areas, 1980–85 (percent) | **-0.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **2,070**
Unemployment (percent) | **13.8**

THE ROCKING CHAIRS

Europe is soon to become an old folk's home. Aging populations characterize Denmark, Sweden, West Germany, and the United Kingdom. But after the turn of the century, when the children of the baby boom begin to enter the ranks of the elderly, the real geriatric explosion will take off in the highly industrialized countries.

At present, the proportion of those over 60 in the populations of the Rocking Chair countries—Denmark, Sweden, West Germany, and the United Kingdom—all exceed 19 percent of the total population. By the year 2000, the elderly will make up about 20 percent of the populations in these countries. By 2025 this share will jump to 29.8 percent in Denmark, 29.5 percent in Sweden, 27.4 percent in West Germany, and 25.4 percent in the United Kingdom.

Aging will be expensive for the industrial world. With population growth static or even declining and the number of pensioners increasing, a shrinking workforce will have to pick up a bigger and bigger bill for pensions. Restrictive immigration policies, such as those in effect today, may well look odd to hard-pressed future generations of workers. Robots may take up some of the slack, but certainly not all of it. Asians and North Africans are likely migrants.

THE MATURE MARKET

The products and services that people are most likely to purchase are often related to their age. Older West Germans, for example, are a good market for vacation travel and health care products.

Where aging has become so dramatic, factors such as the question of financing retirement, the need for sheltered housing, the size of health care costs, and the level of government social security and support service expenditures need to be considered. Often retired households are a better market than they first appear, however, because there are fewer people in the household, there are lower financial obligations, and there is a tendency to have a variety of noncash benefits.

Changes lie ahead in the purchasing behavior of mature households as more educated, more moneyed middle-aged people enter the ranks of the elderly. Increasing incomes and rising levels of education should bring their consumption patterns more into line with those of younger consumers.

AGING AND THE ECONOMY

Every age group in these four countries is affected by aging. The shifting relative weight of the elderly is accompanied by changes in the age structure of the populations of children and persons of working age. The importance of children decreases and attention to older persons in the working-age population increases. As a population ages, smaller numbers of economically active people must support larger numbers of retired persons. In 1980, the number of persons available to support one retired person, or the number of persons of working age (15 to 59) per person in the 60-plus age group, was 3.1 in Denmark, 2.7 in Sweden, 2.9 in the United Kingdom, and 3.3 in West Germany. By 2025, there will only be 2.2 working-aged people available to support one retired person in Denmark, 2.2 in Sweden, 1.9 in the United Kingdom, and 1.9 in West Germany.

Increasing real dependency rates among the elderly affect such socioeconomic development variables as manpower availability and productivity, the allocation of national budgets, and general patterns of consumption, investment, and savings. All these variables in turn influence the rate of economic growth of a country. In countries with well-developed social security systems, the members of the labor force must bear the burden of increased outlays in the national budget for pension and social service expenditures. In addition, the burden of supporting parents in countries with traditionally small completed family sizes is distributed among fewer children.

WHY POPULATIONS AGE

Declining fertility is the most influential factor in the population aging process. Decreases in mortality play a secondary role. When fertility levels fall and low mortality rates remain constant, population growth slows and the relative size of the adult population increases.

Declining fertility rates since the 1960s have left Denmark, Sweden, the United Kingdom and West Germany with below-replacement reproduction. A fertility rate of about 2.1 children per woman is considered to be replacement level—a level which allows a couple to replace themselves, given an allowance for some mortality in childhood.

Sweden's total fertility rate of 1.6 births per woman and the United Kingdom's rate of 1.7 births per woman place them well below replacement level. However, the world's lowest recorded levels in modern history belong to West Germany and Denmark. West Germany and Denmark, both with fertility rates of 1.4 births per woman, fall more than 30 percent below replacement level. In these countries, the number of women in a particular generation will not be replaced by the same number of daughters in the next generation. One hundred women will have only 130 to 140 live-born children whereas 210 are needed to guarantee a stationary population.

WHAT LIES AHEAD

A return to replacement-level fertility in any Rocking Chair country is not expected under the present socioeconomic and cultural conditions. In fact, the experiences of these countries are seen as the wave of the future for most highly industrialized countries. With an individual's or couple's needs satisfied with one or two children in these societies, current fertility behavior is expected to continue, even in light of the fact that without immigration, a society needs many three-child families to perpetuate itself.

The following countries are slated to join the ranks of the Rocking Chairs by the year 2000: Austria, Belgium, Canada, Finland, France, Greece, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Switzerland, Yugoslavia, the USSR, and the U.S.

The specter of social tensions attending rapid population aging now troubles government planners. Assimilating foreign workers presents a major task. In addition, new government responses are needed for pension insurance reform, rising health costs, and improved education. Family policy must remove obstacles preventing couples from having more than one child. Providing equitable taxation, easing the reemployment of mothers who have left the workforce for childrearing, and offering services that allow women to remain in the workforce while raising children are positive options toward this end. ▮

Denmark

THE ROCKING CHAIRS

Denmark's population is already one of the world's oldest. And the already disproportionate number of old people will rise in the future. By the year 2020, only two Danes will be available to support one elderly person. About 30 percent of its population will be over 60.

How the elderly use their leisure time and cope with overcoming the loneliness of old age are important considerations in marketing to a graying society.

HIGH DISPOSABLE INCOME

Denmark's 1988 population of about 5.1 million people is expected to remain relatively stable until the year 2000 and then decline to about 4.8 million in 2020. Yet, what Denmark lacks in population it gains in disposable income. Per capita GNP in 1987 was $11,200—the tenth highest per capita GNP recorded. Extensive social welfare benefits contribute to family wealth.

Denmark's high percentage of women at work contributes greatly to its high disposable income. In 1983, a higher percentage of married women worked in Denmark than in any of the European Community countries. Thirty-nine percent of all married women worked, as compared to only 15 percent in West Germany, 29 percent in the United Kingdom, and 22 percent of all married European Community women. Denmark also had the largest proportion of all women in the population working, 49 percent as compared to only 25 percent in West Germany.

SHARE OF ELDERLY ON THE RISE

Denmark's positive annual population growth rate (consistently under 1 percent since the 1950s) will become negative in the period 1990–1995, averaging about -0.02 percent annually. Danish women on average bear 1.5 children in their lives, a fertility rate well below the 2.1 children per woman needed for natural replacement of the population. Low fertility partially results from Denmark's high average age at first marriage, 28 for men and 25 for women, as compared to 25 for American men and 22 for American women.

> ***In 1983, a higher percentage of married women worked in Denmark than in any of the European Community countries.***

Although population growth will be static for the next 15 years, at which point it will begin to gradually decline, the changing age structure will result in a growing proportion of elderly people in society. Danes over 60, accounting for 19.3 percent of the population in 1980, are expected to make up 20.6 percent of the population by the year 2000 and nearly 30 percent by 2025.

This increase in the importance of the elderly is accompanied by a decrease in the importance of children. Those under 14, accounting in 1980 for about 21 percent of the population, will make up only 16 percent

*See the November 1983 issue of **International Demographics** for in-depth consumer information about Denmark. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

of the population by the year 2000 and 14 percent by the year 2020. The proportion of those of working age (15 to 59 years of age) will increase from about 60 percent of the population in 1980 to 63.4 percent by the year 2000, but return to a lower figure of about 58 percent of the population in 2020.

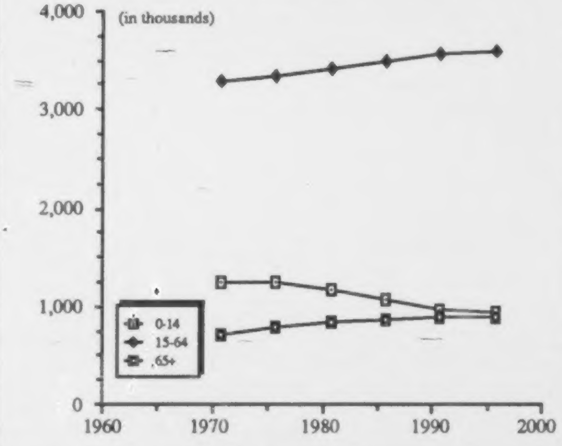
Because Danes are marrying later in life, increasingly choosing to live together without marriage, and divorcing in increasing numbers, the "typical" Danish household is changing. In 1960, 7 percent of all households were one-person households. By 1970, this proportion had risen to 9 percent, and by 1980 to 12 percent. Single-parent households, which accounted for 4 percent of all households in 1960 and 1970, increased to 6 percent by 1980.

The "typical" nuclear family of a couple with children, which made up 57 percent of all households in 1960, fell to 52 percent of all households by 1970 and 50 percent of all households by 1980. The proportion of childless couples increased from 14 percent in 1960 to 18 percent in 1980, again reflecting the rise in average age of first marriage.

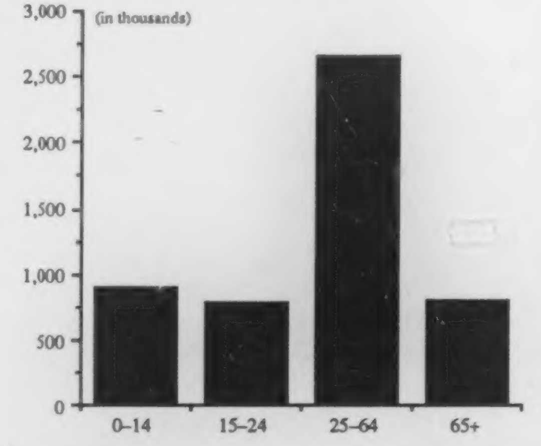
WOMEN ON THE WAY UP

Denmark departs notably from West Germany and the United Kingdom in its broad acceptance of the changing role of women in society. Not only do a higher percentage of women work in Denmark than in West Germany or the United Kingdom, but the Danish public gives these women at work a relatively stronger vote of confidence. In a 1983 OECD survey on the situation of women in European countries, an overwhelming majority of Danes expressed equal confidence in women and men carrying out such traditionally male occupational activities as driving a bus, doctoring, and holding a seat in parliament. Eighty percent of Danes polled expressed such confidence, as compared with only 46 percent of West Germans and 62 percent of the British. A higher percentage of Danes also favored strict equality in sharing household duties than did West Germans or Englishmen—46 percent of Danes as compared with 26 percent of West Germans.

Denmark: Population by age group, 1970–1995



Denmark: Population by age group, 1988



take a quick look at Denmark

POPULATION DATA FOR 1988

Total population | **5,126,000**
Rate of population growth, calendar year 1988 (percent) | **0.1**
Lifetime births per woman (total fertility rate) | **1.5**
Birth rate (births per 1,000) | **11.2**
Death rate (deaths per 1,000) | **11.4**
Population under 15 (percent) | **17.4**
Population aged 65 or over (percent) | **15.5**
Median age | **36.8**
Percent of all women in fertile age group (aged 15–49) | **49.9**
Population density (number of persons per square kilometer) | **119**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **7**
Population per physician/per nurse | **420 / 140**
Daily calorie supply per capita (calories per person per day) | **3,547**

Education

Percent literate (male/female, total percent) | **NA / NA, 99**
Enrollment in secondary education as percent of age group (male/female) | **100 / 100**
Enrollment in higher education as percent of population aged 20–24 | **29**

Labor force

Percent of labor force in agriculture/industry/services | **7 / 32 / 61**
Percent of population of working age (aged 15–64) | **67**
Age-dependency ratio | **49**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **74**
Enrollment in secondary education as percent of age group | **100**
Percent of married women aged 15–49 using contraceptives | **63**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **83 / 17**

Population of major metropolitan areas

- Copenhagen | **1,366,000**
- Arhus | **194,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.4**

Average annual growth in rural areas, 1980–85 (percent) | **-2.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **11,200**

Unemployment (percent) | **8.3**

West Germany

THE ROCKING CHAIRS

West Germany's consistently falling fertility rate—from about 2.5 children per woman in the early 1960s to the world's lowest level of 1.4 children per woman in 1988—accounts for its disproportionate number of old people.

The world's twelfth most populous country in 1985 will not make the top 20 by 2020 given its chronic population decline. The West German population is expected to decrease from its present 60.9 million to 58 million by the turn of the 21st century and about 46 million 30 years later.

However, the expected decline in absolute population figures is less crucial than the change in the age structure and the proportionate rise in the elderly population. In 1980, the proportion of those aged 60 and over in the population was 18.7 percent.This proportion is projected to rise to 23.7 percent in the year 2000, 28.4 percent in 2020, and 30.5 percent in 2025. Such a change will place an increasing burden on the active population with respect to the cost of social security, health care, housing, and leisure activities for old people.

EASING THE OLD AGE BURDEN THROUGH IMMIGRATION

As its population ages, West Germany will need to find people to do its work. Even if increased robotization in manufacturing replaces some industrial workers, West Germany will need to rely on manual and health-service workers to care for its old. Many new workers are bound to be immigrants. Already, as a result of "temporary" labor migration policies of the labor-short 1960s, West Germany had 4.4 million resident aliens in 1983, of which 1.5 million were Turkish. Yugoslavs came next, numbering 613,000, followed by Italians, numbering 565,000; Greeks, 292,000; Austrians, 172,000; and Spaniards, 166,000.

> ***West Germany's population imbalance will drastically affect consumer activity. Fewer consumers of higher average ages, dwindling household size, and increasing immigrant inflows will alter German buying behavior by the year 2000.***

Amid growing anti-immigrant feeling among West Germans, a recent report issued by Liselotte Funcke, the federal commissioner for the integration of foreigners, stated that the employment of foreigners will continue to be a significant economic factor. The report also states that the country's social security system would face serious problems even earlier than has been predicted if there were no foreign workers.

West Germany had the tenth highest immigration rate in the world during the period 1980–85, with about 40,000 migrants per year. Assimilating foreign workers presents a major task. In addition, new government measures to address pension funding, rising health costs, and educational improvement will be required. West German economists predict that maintaining current benefits

*See the July 1983 issue of **International Demographics** for in-depth consumer information about West Germany. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

would mean pushing overall marginal tax rates for many middle-income families above 80 percent.

RETIREES HAVE MORE TO SPEND

West Germany's population imbalance will drastically affect consumer activity. Fewer consumers of higher average ages, dwindling household size, and increasing immigrant inflows will alter German buying behavior by the year 2000. Retired households, on average, will be more educated and have more money than previous German retirees.

Households in West Germany increased from 22 million in 1970 to 25 million in 1981, with average household size dropping from 2.74 persons to 2.46 persons in the same period. One-person households increased from 25 percent to 31 percent of the total from 1970 to 1981.

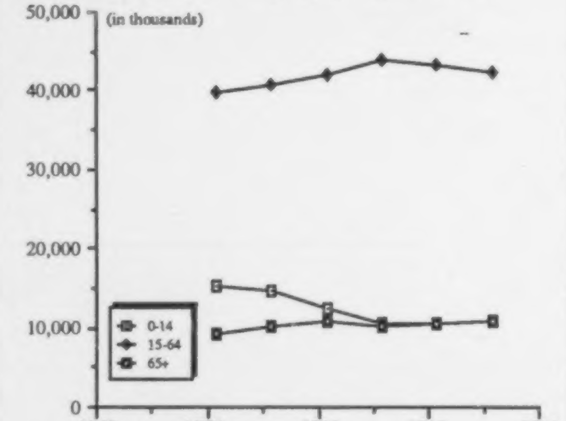
Married-couple households still predominated, however, accounting for 62 percent of West German households in 1981.

GADGET-MANIA

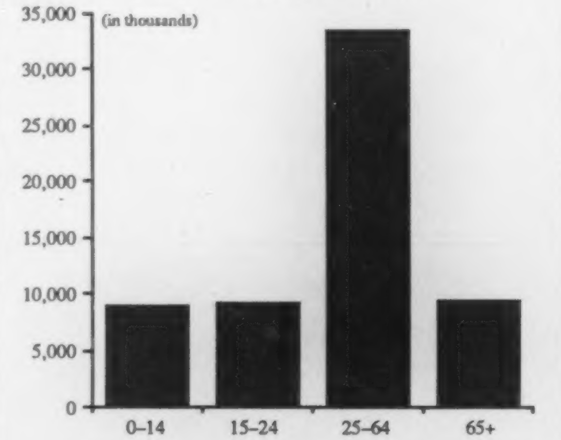
West German GNP per capita is one of Europe's highest. Average monthly household income amounts to about DM3,400, or about $1,395. Disposable income surpasses the equivalent of US$665 in 50 percent of all one-person households, according to a recent study of the Bonn Institute of Economic and Social Policy.

It is not surprising, then, to find that nearly 90 percent of middle-class households own electric coffee machines—or that 97 percent of middle-class West Germans have televisions, 90 percent have telephones, and 96 percent own some kind of camera equipment. With 30 million telephones, only the U.S. and Japan have more telephones than West Germany. Middle-class households spent about 20 percent of their income on food, drink and tobacco in 1981. Another 8 percent went to clothing, 7 percent to household goods, and 5 percent to leisure goods. Almost 50 percent of expenditures were for services. High-income households spent only 14 percent on food and slightly more on leisure.

West Germany: Population by age group, 1970–1995



West Germany: Population by age group, 1988



take a quick look at West Germany

POPULATION DATA FOR 1988

Total population | **60,980,000**
Rate of population growth, calendar year 1988 (percent) | **0.0**
Lifetime births per woman (total fertility rate) | **1.4**
Birth rate (births per 1,000) | **10.6**
Death rate (deaths per 1,000) | **11.7**
Population under 15 (percent) | **14.7**
Population aged 65 or over (percent) | **15.3**
Median age | **38.2**
Percent of all women in fertile age group (aged 15–49) | **48.4**
Population density (number of persons per square kilometer) | **245**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72/79**
Infant mortality rate (number of deaths per 1,000 live births) | **8**
Population per physician/per nurse | **420/170**
Daily calorie supply per capita (calories per person per day) | **3,474**

Education

Percent literate (male/female, total percent) | **NA/NA, 99**
Enrollment in secondary education as percent of age group (male/female) | **72/76**
Enrollment in higher education as percent of population aged 20–24 | **29**

Labor force

Percent of labor force in agriculture/industry/services | **6/44/50**
Percent of population of working age (aged 15–64) | **70**
Age-dependency ratio | **43**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **52**
Enrollment in secondary education as percent of age group | **76**
Percent of married women aged 15–49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **86 / 14**
Population of major metropolitan areas
Essen | **7,604,000**
West Berlin | **1,849,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.1**
Average annual growth in rural areas, 1980–85 (percent) | **-1.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **10,940**
Unemployment (percent) | **7.3**

Sweden

THE ROCKING CHAIRS

Having a sizeable elderly population is nothing new to Sweden. As far back as 1960, 17.3 percent of its population was over 60. Only West Germany had a higher proportion of elderly, at 20.2 percent of its population. Now, although West Germany has more senior citizens, Sweden holds the dubious distinction of having the highest proportion of old people in its population of any country in the world. Nearly 22 percent of Swedes in 1980 were over 60, as compared with 19.6 percent of West Germans, 19.3 percent of Danes, and 19.8 percent of British.

FEWER BABIES, MORE OLD FOLKS

Future projections see Sweden aging much like Denmark, with the proportion of those over 60 rising to about 22.5 percent by the year 2000, and then jumping to almost 30 percent of the population by 2025. The proportion of those under 15 will drop sharply from 19.6 percent of the population in 1980 to 15.5 percent by 2000, thereafter leveling off at about the same percent until 2025.

Sweden's population grew steadily but slowly, from about 7 million in 1950 to its 1988 population of about 8.39 million. It is expected to decline from this high to 8 million in the year 2000 and 7.5 million in 2025 because of declining fertility rates. In 1950, total fertility stood at about 2.2 children per woman, just above replacement level. During the period 1970 to 1975, Sweden's fertility rate dipped below replacement level to 1.89 children per woman. The current level of 1.73 children per woman is one of the world's lowest. A return to replacement-level fertility rates is not expected under current socioeconomic and cultural conditions. By the year 2000, the fertility rate is expected to fall slightly to 1.5 children per woman.

Sweden's fertility rate remains way below replacement level despite government policy making it easy for working women to have children. Working women desiring a family in Sweden have one of the most responsive environments in the world today.

> ***Although West Germany has more senior citizens, Sweden has the highest proportion of old people in its population of any country in the world.***

In an effort to remove obstacles preventing couples from having more than one child, Sweden allows working mothers to take 52 weeks of maternity leave—of which 38 weeks are paid at 90 percent of the recipient's salary. The recipient even can be the father if the family decides that it is best for him to stay with the baby and the mother return to work.

HIGH PROPORTION OF ONE-PERSON HOUSEHOLDS

Sweden has the highest proportion of one-person households of all European Community countries. One-person households ac-

*See the November 1983 issue of **International Demographics** for in-depth consumer information about Sweden. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

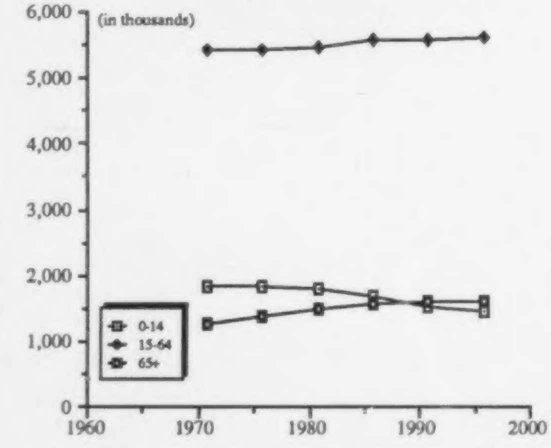
counted for 26 percent of all Swedish households in 1980. Only France (24 percent), Luxembourg (21 percent), and the Netherlands (22 percent) had comparable proportions. Forty-two percent of Swedish households were made up of a couple with children in 1980; 26 percent were made up of childless couples; and 6 percent were single-parent households.

RICHEST IN SCANDANAVIA

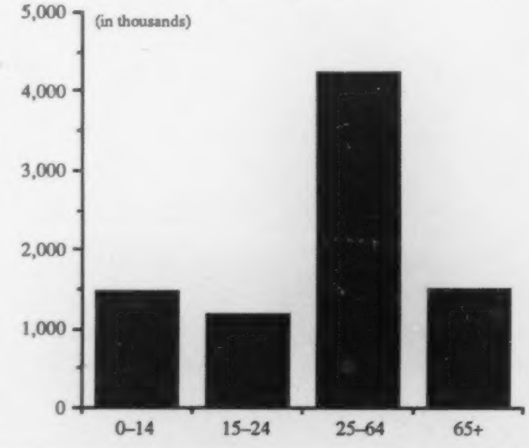
Sweden boasts the highest per capita GNP in Scandinavia and the seventh highest per capita GNP in the world. It comes as no surprise then that in 1980, 68 percent of Swedes owned cars; 67 percent, washing machines; 23 percent, dishwashers; 97 percent, TVs (of which 78 percent were color TVs); 96 percent, refrigerators; and 68 percent, deep freezers.

In 1984, about 25 percent of private consumption expenditures went to purchasing food, beverages, and tobacco. Clothing and footwear took up 7.1 percent of household expenditures; gross rent, fuel, and power, 26 percent; furniture, furnishings, household equipment and operations, 6.5 percent; medical care and health expenses, 1.6 percent; transport and communications, 15.2 percent; recreation, entertainment, and education, 9.5 percent; miscellaneous goods and services, 8 percent; and direct purchases abroad by resident households, 3.7 percent.

Sweden: Population by age group, 1970–1995



Sweden: Population by age group, 1988



take a quick look at Sweden

POPULATION DATA FOR 1988

Total population	**8,393,000**
Rate of population growth, calendar year 1988 (percent)	**0.1**
Lifetime births per woman (total fertility rate)	**1.7**
Birth rate (births per 1,000)	**11.7**
Death rate (deaths per 1,000)	**11.5**
Population under 15 (percent)	**17.5**
Population aged 65 or over (percent)	**17.9**
Median age	**38.6**
Percent of all women in fertile age group (aged 15–49)	**47.3**
Population density (number of persons per square kilometer)	**19**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female)	**74 / 81**
Infant mortality rate (number of deaths per 1,000 live births)	**6**
Population per physician/per nurse	**410 / 100**
Daily calorie supply per capita (calories per person per day)	**3,097**

Education

Percent literate (male/female, total percent)	**NA / NA, 99**
Enrollment in secondary education as percent of age group (male/female)	**79 / 88**
Enrollment in higher education as percent of population aged 20–24	**38**

Labor force

Percent of labor force in agriculture/industry/services	**6 / 33 / 62**
Percent of population of working age (aged 15–64)	**65**
Age-dependency ratio	**55**

STATUS OF WOMEN

Labor force participation rate (percent of women 16–64 in the labor force)	**79**
Enrollment in secondary education as percent of age group	**88**
Percent of married women aged 15–49 using contraceptives	**64**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **83 / 17**

Population of major metropolitan areas

- Stockholm | **1,420,000**
- Goteborg | **699,000**

Average annual growth in urban areas, 1980–85 (percent) | **0.2**

Average annual growth in rural areas, 1980–85 (percent) | **-0.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **11,890**

Unemployment (percent) | **2.8**

United Kingdom

THE ROCKING CHAIRS

Since 1971, the population of the United Kingdom has remained fairly constant, hovering around 56 million. Slow growth is projected up to the end of the century, from 56.9 million in 1986 to 57.7 million in 2001 because of a rise in births until the mid-1990s followed by a fall in births. However static the total, the age structure of the population will continue to undergo important changes, with the proportion of children under 15 falling and the proportion of those over 60 rising.

Aging is nothing new to Britain. Since 1951, the number of elderly has grown by over 2 million. The proportion of those over 60 increased from 16.8 percent of the total population in 1960 to 19.8 percent in 1980. Although the aging of Britain will continue, it will slow considerably, with the proportion of those over 60 growing to only about 20 percent of the total population by the year 2000.

Within the elderly, the balance of different age segments is expected to change dramatically. The proportion of those aged 65 to 74 is expected to decrease from 57 percent of those aged 65 and over in 1984 to 53 percent by the year 2001, while the proportion of those aged 85 and older will jump from 8 percent of the elderly in 1984 to 11 percent in 2001. As those aged 85 and older lead more restricted lives than their more youthful counterparts, serious problems will arise for health care providers.

POSTWAR ELDERLY INCOME TRIPLES

Not only are there more elderly people in the U.K., but they have more to spend. Disposable income per household head aged 65 or over nearly tripled since 1951 in real terms, as compared with an increase of only two-thirds for those below pension age. Income per head has risen from about 40 percent to 70 percent of non-pensioners.

> ***Aging is nothing new to Britain. Since 1951, the number of elderly has grown by over 2 million.***

Pensioners' incomes are made up of national insurance (NI) pension, occupational pensions, and income from their own savings and investments. Most elderly people qualify for NI, and a majority retire with a pension from their current or previous employer. The growing value of NI and occupational pensions as compared with average take-home pay combined with housing and disability benefits has put more pounds in the pockets of the retirees relative to non-pensioners. Prime minister Thatcher's third term reductions in social funding, however, may change this relationship.

The younger a pensioner is, the more likely he or she is to have extra pounds to spend.

*See the April 1983 issue of **International Demographics** for in-depth consumer information about the United Kingdom. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

Of those aged 60 and over, the youngest—those in the age groups 60 to 64 and 65 to 69—tend to be better off than those 75 and over. This distinction is largely because those British in their mid to late 60s may still be participating in the workforce (particularly in a part-time capacity) or they may have occupational pensions. In 1982, average disposable weekly income for those aged 60 to 64 was 96 pounds and 86 pounds for those aged 65 to 69, compared to 78 pounds per week for those 75 and over. Of the non-married, men consistently had more to spend than women. For all British of pension age, men had 55 pounds per week in 1982; women had 49 pounds per week.

MORE BRITISH LIVE ALONE

Going it alone, whether by choice or out of necessity, is a lifestyle more and more British are taking up. One-person households jumped from 17 percent of all households in 1971 to 25 percent in 1984. And, although the proportion of the elderly living alone does rise steadily with age, this jump was not solely caused by greater numbers surviving into old age as widows and widowers. The proportion of those 16 to 24 and 25 to 44 living alone more than doubled over the same period.

In 1984, 3.4 percent of those aged 16 to 24 lived alone, as compared to only 1.5 percent in 1973. For those aged 25 to 44, 5.4 percent lived alone in 1984, up from 2.4 percent in 1973. Of those aged 65 to 74, 28 percent lived alone. Of those over 75, nearly half lived alone.

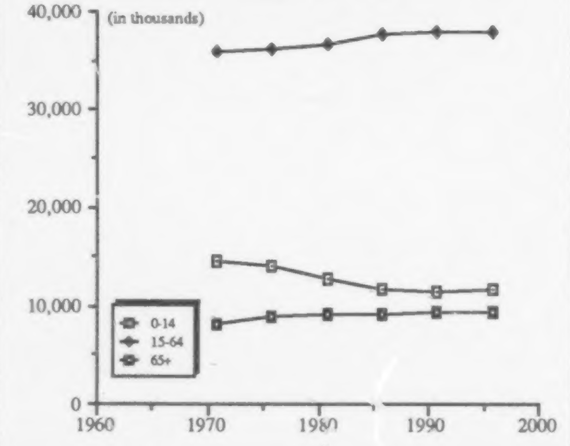
Average household size has fallen dramatically since the 1960s, from an average of 3.09 people per household in 1961 to an estimated 2.59 in 1984. Between 1971 and 1981, the total number of households increased by about 7 percent, while the population increased only 1 percent.

LEISURE TIME

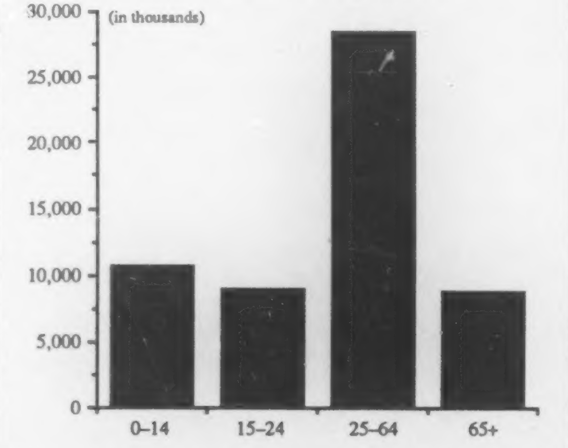
In 1985, retirees in the U.K. spent an average of 49.8 hours a week on essential activities such as shopping, eating meals, etc., 60.2 hours sleeping (compared to a worker's 57 hours), and 58 hours on free-time activities, according to the General Household Survey. Retirees had about four times the free time of an average worker, and about twice that of an average housewife.

Of home-based activities for women, 32 percent listened to tapes and records, 37 percent gardened, 44 percent did needlework and/or knitting, 13 percent did home repairs, and 59 percent read books. Of home-based activities for men, 40 percent listened to records or tapes, 59 percent gardened, 39 percent did house repairs, and 51 percent read books.

United Kingdom: Population by age group, 1970–1995



United Kingdom: Population by age group, 1988



take a quick look at the United Kingdom

POPULATION DATA FOR 1988

Total population | **56,936,000**
Rate of population growth, calendar year 1988 (percent) | **0.2**
Lifetime births per woman (total fertility rate) | **1.8**
Birth rate (births per 1,000) | **13.4**
Death rate (deaths per 1,000) | **11.8**
Population under 15 (percent) | **18.7**
Population aged 65 or over (percent) | **15.5**
Median age | **35.5**
Percent of all women in fertile age group (aged 15–49) | **48.2**
Population density (number of persons per square kilometer) | **233**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72 / 78**
Infant mortality rate (number of deaths per 1,000 live births) | **9**
Population per physician/per nurse | **1,991 / 120**
Daily calorie supply per capita (calories per person per day) | **3,131**

Education

Percent literate (male/female, total percent) | **99 / 99, 99**
Enrollment in secondary education as percent of age group (male/female) | **84 / 87**
Enrollment in higher education as percent of population aged 20–24 | **20**

Labor force

Percent of labor force in agriculture/industry/services | **3 / 38 / 59**
Percent of population of working age (aged 15–64) | **66**
Age-dependency ratio | **52**

STATUS OF WOMEN

Labor force participation rate (percent of women 15–64 in the labor force) | **56**
Enrollment in secondary education as percent of age group | **87**
Percent of married women aged 15–49 using contraceptives | **83**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **92 / 8**
Population of major metropolitan areas
  Greater London | **9,442,000**
  Manchester | **4,151,000**
Average annual growth in urban areas, 1980–85 (percent) | **0.2**
Average annual growth in rural areas, 1980–85 (percent) | **-1.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **8,460**
Unemployment (percent) | **11.5**

Appendix A.

List of 150 Countries and Where They Fit in International Demographics Clusters

Cluster Key:

1

THE DEPENDENTS

2

THE SEEKERS

3

THE CLIMBERS

Afghanistan	1
Albania	3
Algeria	1
Angola	1
Argentina	4
Australia	4
Austria	4
Bahrain	2
Bangladesh	1
Barbados	3
Belgium	4
Benin	2
Bhutan	1
Bolivia	1
Botswana	2
Brazil	3
Bulgaria	4
Burkina Faso	1
Burma	2
Burundi	1
Cameroon	2
Canada	4
Central African Republic	2
Chad	1
Chile	4
China	3
Colombia	3
Comoros	2
Congo	1
Costa Rica	3
Cuba	3
Cyprus	3
Czechoslovakia	4
Denmark	5
Dominican Republic	3
East Timor	1
Ecuador	2
Egypt	2
El Salvador	1
Equatorial Guinea	1
Ethiopia	1
Fiji	3
Finland	4
France	4
Gabon	2
Gambia	1
Germany, East	4
Germany, West	5
Ghana	2
Greece	4
Guadeloupe	3
Guatemala	2
Guinea	1
Guinea-Bissau	1
Guyana	3
Haiti	2
Honduras	1
Hong Kong	4
Hungary	4
Iceland	4
India	2
Indonesia	2
Iran	1
Iraq	2
Ireland	4
Israel	4
Italy	4
Ivory Coast	2
Jamaica	4
Japan	4
Jordan	1
Kampuchea	1
Kenya	1
Korea, North	3
Korea, South	3
Kuwait	2

4

THE ULTIMATE CONSUMERS

5

THE ROCKING CHAIRS

Lao People's Democratic Republic	1
Lebanon	3
Lesotho	2
Liberia	1
Libya	1
Luxembourg	4
Madagascar	2
Malawi	1
Malaysia	2
Mali	1
Malta	3
Martinique	3
Mauritania	1
Mauritius	2
Mexico	3
Mongolia	2
Morocco	1
Mozambique	1
Namibia	1
Nepal	1
Netherlands	4
New Zealand	4
Nicaragua	2
Niger	1
Nigeria	1
Norway	4
Oman	1
Pakistan	1
Panama	3
Paraguay	2
Peru	3
Philippines	3
Poland	4
Portugal	3
Puerto Rico	3
Qatar	2
Reunion	3
Romania	4
Rwanda	1
Saudi Arabia	1
Senegal	1
Sierra Leone	1
Singapore	4
Somalia	1
South Africa	2
Spain	4
Sri Lanka	2
Sudan	1
Surinam	2
Swaziland	1
Sweden	5
Switzerland	4
Syria	2
Taiwan	3
Tanzania	1
Thailand	3
Togo	1
Trinidad and Tobago	3
Tunisia	2
Turkey	3
Uganda	1
United Arab Emirates	2
United Kingdom	5
Uruguay	4
USA	4
USSR	4
Venezuela	3
Vietnam	2
Yemen Arab Republic	1
Yemen, People's Democratic Republic	1
Yugoslavia	4
Zaire	1
Zambia	1
Zimbabwe	1

Appendix B

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Consumer markets abroad

IN DEPTH / OSAKA P. 2 UNDISCOVERED MARKET / PERTH P. 8
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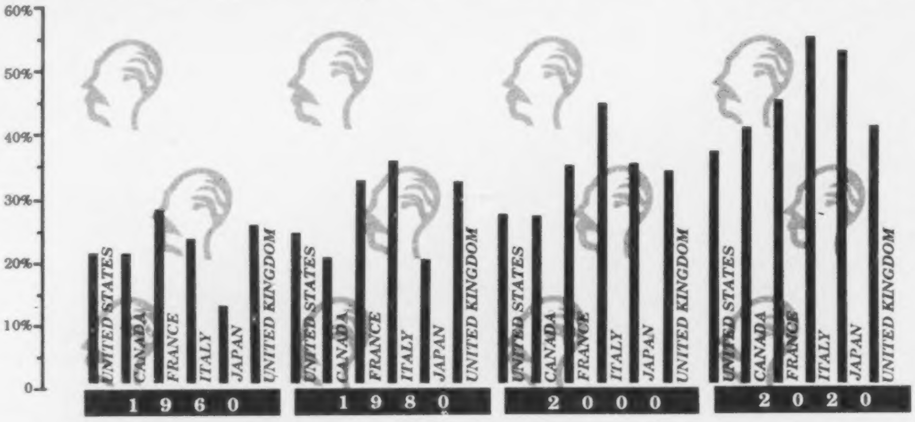
WILL RETIREES CUT BACK LEISURE SPENDING?

WHO'LL PAY FOR THE ELDERLY?

Nations will have to support retirees with fewer workers by the end of this century. (Persons aged 65 and over as a percent of economically active persons aged 15 to 64)*



*Note: Economically active persons include those aged 15 to 64 who are working or are unemployed.
Source: Lorna Dailey, *"International Trends in Social Security Reform,"* Employee Benefit Research Institute; Issue Brief, July 1987, Number 68, p. 3.

L I F E S T Y L E S   A R O U N D   T H E   W O R L D

When the number of nursing homes in the world exceed the number of elementary schools, who will foot the bill? This is the question policy makers, particularly in seven industrialized countries, are asking with anxiety. As government funds fall short of rising social security costs, elderly citizens in Britain, Canada, France, Italy, Japan, the United States, and West Germany may be forced to spend a larger portion of their personal savings on basic retirement needs, such as housing and health care.

Businesses that count on the growing elderly market may be disappointed with this news. Sales of high-priced leisure products, such as cruises, summer homes, or sporting equipment will suffer as Europeans, Americans, and Japanese earmark savings for retirement, which federal programs are increasingly hard-pressed to provide.

The specter of rapid aging in Europe has become increasingly publicized. Presently, the world's oldest populations include Sweden (with 17 percent of the population aged 65 and over), West Germany (15 percent aged 65 and over), and Denmark (also 15 percent). But these countries will soon find themselves in a crowded field. By the year 2025, every country in Western Europe will have a population whose share of elderly has reached 18 percent or more.

Of the industrialized countries,

(continued on p. 7)

Coming next month... The U.S.S.R: An unlikely market. Understand the demographics of the world's third most populous nation.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 1 JANUARY 1988

OSAKA: TOKYO OF THE SOUTH?

Osaka plans to attract Japanese and foreign business away from overcrowded Tokyo.

IN DEPTH

Osaka, Japan's second largest metropolitan area, is struggling to hold its economic ground. During the miracle growth period of the 1960s and 1970s, this region lost in economic vitality what Tokyo amassed in power, prestige, and influence. Nevertheless, the economic rivalry between these two cities, Osaka representing the southern Kansai and Tokyo the northern Kanto regions, reflects the domestic imbalance of Japan's economic structure.*

As Japan's commercial capital since feudal times, Osaka accounted for 40 percent of the pre-war national economy. But after World War II, Tokyo, with its international airport, became the gateway through which post-war business passed. As a result, Osaka lost economic clout. Between 1955 and 1984, the Osaka metropolitan area's share of Japan's industrial output fell from 13 percent to 8 percent and its share of total exports from 53 percent to 21 percent.

During Japan's rapid economic expansion, the Kansai district's heavy industries fueled domestic growth. In contrast, the Kanto region's businesses began to emphasize exports. Tokyo became the symbol of the nation's move into the information age and away from heavy manufacturing. Between 1975 and 1985, Osaka's share of Japan's GNP fell from 10 to 9 percent, while Tokyo's rose from 17 to 18 percent. The future of Osaka and the Kansai region has been clouded further by the yen's appreciation against the dollar, which has seriously eroded the international competitiveness of Kansai's dominant industries—textiles, chemicals, steel, and shipbuilding.

INDUSTRY WINNERS AND LOSERS

While steel and shipbuilding falters, Kansai's traditional drug makers are leading the way toward high-tech diversification in this region. Most all of the well-known Japanese pharmaceutical houses are based in Osaka, including Takeda, Japan's largest drug maker. And while Osaka loses the head offices of some 300 companies a year to Tokyo, a few large corporations remain. Matsushita, Japan's largest consumer-electronics firm—the maker of Panasonic—recently completed twin, 38-story towers to house its headquarters, reviving the inner city with the hopes of an expanding business park.

A stalled service sector, however, will have to move quickly to make up for the projected loss of assembly jobs in Matushita and Sanyo plants. At present, about half of Matsushita products are made in Osaka. However, projected plans for moving production to other countries will cut heavily into assembly work at home. Sanyo has already moved 25 percent of its production overseas.

A look at trends in Osaka's employment by sector since 1985—the year the yen began appreciating—shows that manufacturing employment has taken a beating. In 1980, 30 percent of the Osaka metropolitan area's workforce worked in manufacturing. This share slipped to 25 percent by 1987. In contrast, the wholesale and retail sector grew, rising from 28 percent of total employment in 1980 to 34 percent in 1987. Service sector employment remained steady at about 20 percent.

HIGH HOPES FOR THE SUBARU PLAN

The people of Osaka and the rest of the Kansai region are far from resigned to their fate. The Subaru Plan, drafted by government and business leaders, is Osaka's new economic offensive. Four

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* *In this profile, the "urban prefecture" of Osaka—the term used to describe metropolitan Osaka in the Japanese census—is called the Osaka metropolitan area. Osaka City, with 26 wards of its own, is only one municipality in the Osaka metropolitan area.*

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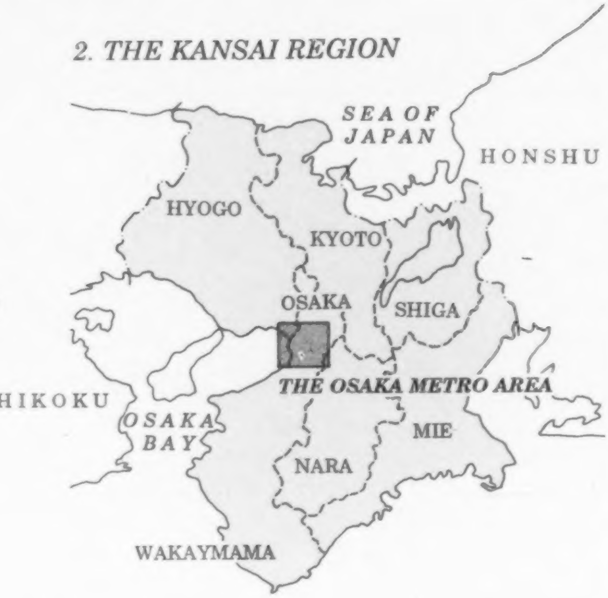
THE OSAKA METROPOLITAN AREA IN PERSPECTIVE: JAPAN, THE KANSAI REGION OF JAPAN, AND MUNICIPALITIES OF THE OSAKA METROPOLITAN AREA

1. JAPAN

Tokyo
Kyoto
Osaka
THE KANSAI REGION

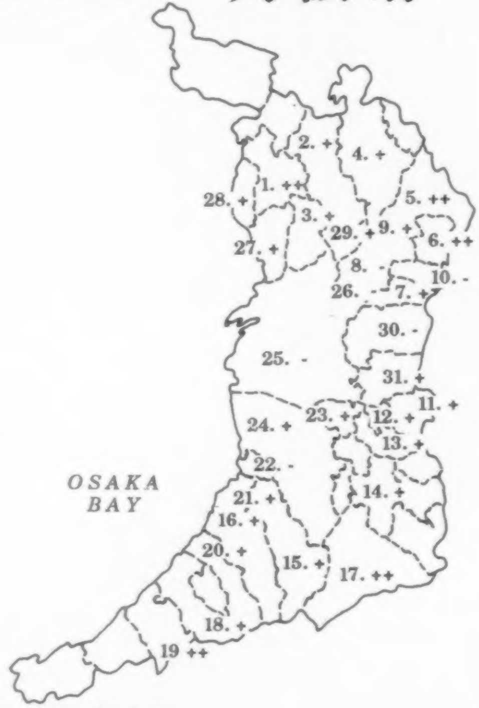
2. THE KANSAI REGION


SEA OF JAPAN
HONSHU
HYOGO
KYOTO
OSAKA
SHIGA
THE OSAKA METRO AREA
SHIKOKU
OSAKA BAY
MIE
NARA
WAKAYMAMA

3. MUNICIPALITIES OF THE OSAKA METRO AREA 大阪府

- negative growth
+ 0–12% population increase, 1975–1985
++ 12–30% population increase, 1975–1985

1. Minoo ++
2. Ibaraki +
3. Suita +
4. Takatsuki +
5. Hirakata ++
6. Katano ++
7. Daito +
8. Kadoma -
9. Neyagawa +
10. Shijonawate -
11. Kashiwara +
12. Fujiidera +
13. Habikino +
14. Tondabayashi +
15. Izumi +
16. Kishiwada +
17. Kawachinagano ++
18. Izumisano +
19. Sennan ++
20. Kaizuka +
21. Izumiotsu +
22. Takaishi -
23. Matsubara +
24. Sakai +
25. The City of Osaka -
26. Moriguchi -
27. Toyonaka+
28. Ikeda +
29. Settsu +
30. Higashiosaka -
31. Yao +


2. +
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9. +
6. ++
27. +
8. -
10. -
26. -
7. +
30. -
25. -
31. +
11. +
23. +
12. +
24. +
13. +
22. -
OSAKA BAY
14. +
21. +
16. +
20. +
15. +
17. ++
18. +
19 ++

Unmarked areas are towns, not municipalities, within the Osaka metro political area.
Source: The Osaka Statistical Yearbook 1987.

The Osaka metropolitan area, Japan's second largest metro area with a 1987 population of 8.6 million, is the core of the Kansai region. It includes the eight prefectures of Kobe, Wakayana, Nora, Mie, Osaka, Shiga, Kyoto, and Hyogo, as well as the large cities of Kobe (population 1.4 million) and Kyoto (population 1.5 million). One in five Japanese live in the Kansai region—about 22 million people.

A Landfill for Business:

Running out of room? Osaka's answer was to build an island. Southport, Osaka's man-made island at the head of Osaka Bay, already houses a new international exhibition complex that seats 4,000. Future projects on the island include a teleport, a satellite-earth station for telecommunications, and a $313 million, 37-story trade center to be built by Mitsui.

major stimuli are planned to boost manufacturing—extending the core number of firms, facilitating public and private research development, attracting local investors, and improving transportation and industrial infrastructure.

The Subaru Plan calls for an agressive approach to luring high-tech growth firms to the area by building industrial parks and a science city to house research institutes. Osaka's so-called Kansai Cultural-Academic-Research City will be home to a mix of public and private research institutes with a projected total of 120,000 researchers and students. So far, two research organizations and three large Japanese corporations have agreed to participate. The Advanced Telecommunications Research Institute will specialize in artificial intelligence and optical communications research. The International Institute of Advanced Studies will concentrate on biotechnology. Matsushita Industries, Fujitsu, a computer maker, and Kyocera, a manufacturer of high-tech ceramics, will set up research labs as well.

Planners see the Kansai region as a re-export center—where raw materials imported from abroad will be assembled or processed and then exported back to foreign buyers. Osaka is "...the second eye of the country, focused on the world outside, but not necessarily on the same sights as the other eye, Tokyo," says Kinji Hirai, director of the Planning Office of the Osaka Prefectural Government.

Completion of the plan may take up to 40 years. The proposed Kansai International Airport to be built on an artificial island three miles out into Osaka Bay is slated to handle a quarter of a million flights a year when it opens in 1993, more than double the present traffic at Tokyo's Narita airport. The new airport is designed to handle five times the cargo and almost double the passengers of Osaka's existing airport.

But the necessary funds for the industrial-residential parks, manmade islands, and new railway lines and expressways are still in question. So far, a somewhat tenuous arrangement has been worked out between the national government, municipalities, and industry for the funding of the new airport, the Akashi Straits Bridge, which will link Kansai to the largely undeveloped Shikoku Island by 1998, and the research city.

OUTLYING MUNICIPALITIES GROW
(Population, number of households, and growth rates (1975–85) of the municipalities of the Osaka metropolitan area)

	Population (1986)	*Number of households (1986)*	*Growth rate (1975–1985)*
Osaka City	2,643,213	992,615	-4.7
Sakai	818,537	260,627	7.9
Kishiwada	186,330	54,570	3.1
Toyonaka	416,829	148,722	1.2
Ikeda	101,862	37,002	0.9
Suita	351,681	122,809	10.5
Izumiotsu	67,896	21,242	1.8
Takatsuki	351,988	111,096	3.1
Kaizuka	79,506	23,471	2.1
Moriguchi	159,157	54,609	-7.1
Hirakata	385,525	122,551	18.7
Ibaraki	253,493	85,196	11.3
Yao	276,797	87,510	4.2
Izumisano	91,885	26,429	5.3
Tondabayashi	103,917	30,738	6.7
Neyagawa	259,280	86,380	0.6
Kawachinagano	93,617	26,626	17.4
Matsubara	136,465	42,776	2.4
Daito	123,541	39,788	5.2
Izumi	140,223	39,885	5.1
Minoo	116,796	38,049	30.8
Kashiwara	73,925	22,688	9.8
Habikino	111,798	33,734	9.6
Kadoma	141,221	49,291	-3.0
Settsu	87,053	29,559	5.1
Takaishi	66,790	21,538	0.0
Fujiidera	65,098	20,586	7.1
Higashiosaka	522,144	174,900	-0.6
Sennan	60,487	17,243	14.1
Shijonawate	50,407	15,955	-3.4
Katano	65,340	18,969	16.5

Despite the potential growth outlined by this grand scheme, few believe that it will shift Japanese industry away from Tokyo. At best, critics say, service-sector industry tied to the development of "academic towns" (Osaka's planned research centers), will grow rapidly. Others point to the federal government's policy of regional development that is pigeonholing Osaka in the role of commercial and cultural center for Asia, while Tokyo is slated for development as Japan's political, financial, and international hub.

Particularly disturbing is the fact that Osaka is losing ground to Tokyo as a financial center. Home to one of the world's three largest banks, Osaka accounts for 11 percent of bank lending in Japan and boasts the world's third largest stock market. But with two-thirds of a recent graduating class at Osaka City University taking jobs in Tokyo—most of them in financial services—it is hard to imagine what it will take to lure young graduates from the magnetism of Tokyo.

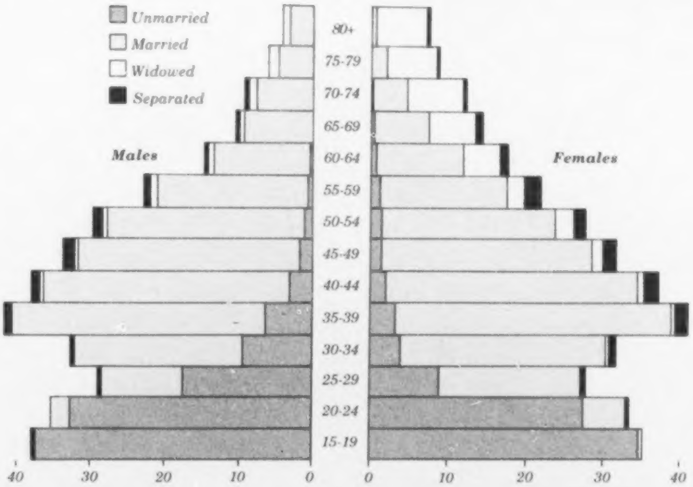
IN TOKYO'S SHADOW

Rapid urbanization around Japan's three largest cities—Tokyo, Osaka, and Nagoya—means that nearly 45 percent of all Japanese will live within 50 kilometers of these metropolitan areas by the year 2000.

Differences exist among regions, and perhaps the greatest differences are between Osaka and Tokyo. Tokyo residents and the rest of their Kanto counterparts are considered businesslike, even a bit cold, while Osaka residents are described as "warm."

But more concrete demographic differences abound. Osaka trails Tokyo in population, 8.6 million versus 11.8 million. Accordingly, Osaka has fewer households than Tokyo, 2.9 million and 4.5 million respectively. However, the Osaka metropolitan area is growing more quickly than Tokyo, by 2.3 percent between 1980 and 1986, versus Tokyo's 1.8 percent growth.

Tokyo households have greater disposable incomes than Osaka households. A Tokyo worker household has a monthly average of 398,800 yen (US$2,367 in 1986) as disposable income, compared to an Osaka household's 344,200 yen (US$2,043). Worker households in Osaka are below the national aver-



THE MARRIED LIFE
(Age composition by spousal relationships, 1980 National Census, in percent)

TOKYO AND OSAKA—HOW THEY COMPARE
Osaka fights to gain a bigger piece of the Japanese pie. (Economic and social indicators as a percent of Japanese total, 1984)

1. Stock market transactions

Tokyo	82%
Osaka	16%

2. Banking transactions

Tokyo	78%
Osaka	12%

3. Companies capitalized at ¥ 1 billion or more

Tokyo	64%
Osaka	12%

4. University students

Tokyo	59%
Osaka	10%

5. Employees of information service companies

Tokyo	47%
Osaka	10%

6. Contribution to total GNP

Tokyo	18%
Osaka	9%

Source: Osaka Municipal Government.

Japan's New Consumers

You can find out more about Japanese lifestyles and attitudes, demographic characteristics, spending patterns, and buying behavior in Japan's New Consumers, *a new two-part special report written by experts from the Center for International Research of the U.S. Census Bureau and the editors of Consumer Markets Abroad.*

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age in disposable income—373,300 yen (US$2,215). However, Osaka and Tokyo households spend relatively the same share of their disposable income on consumption—78 percent.

MUNICIPALITIES GAIN, OSAKA CITY WARDS LOSE

The City of Osaka is home to 2.6 million people, with the surrounding municipalities and towns housing the remaining 6 million who live in the metropolitan area. Ten of the 26 wards in Osaka City proper have population densities of over 15,000 people per square kilometer. The most populous wards are Ikuno and Hirano. Twenty-one of the 26 wards lost population between 1975 and 1985. Only Nishi, Oyodo, Higashiyodogawa, Joto, Yodogawa, and Suminoe gained population during this period. The population of Osaka proper fell by almost 5 percent between 1975 and 1985.

However, of the 30 municipalities that make up the larger Osaka metropolitan area, 25 gained population between 1975 and 1985. Outmigrants from Osaka city settled in the outlying municipalities of the Osaka metropolitan area. The municipalities of Hirakata, Ibaraki, Minoo, and Katano to the north all grew by over 10 percent between between 1975 and 1985. Minoo grew the fastest, registering a 30 percent increase. Of the municipalities lying to the south of the city, Sennan (14.1 percent), Kawachinagano (17.4 percent), and Sakai (7.9 percent) all grew rapidly. The demographic sprawl that this outmigration has produced may significantly affect exporters' advertising and distribution methods.

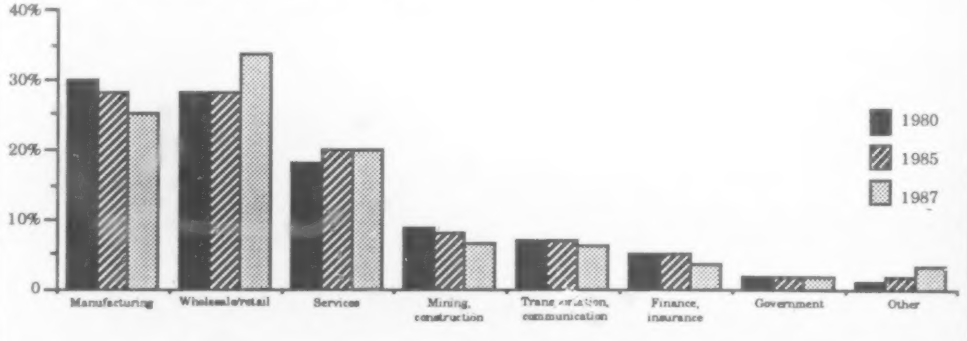
OSAKA AGES

Osaka, like the rest of Japan, is aging rapidly. In 1980, 24 percent of the metropolitan area residents were under the age of 15, with 68 percent between the ages of 15 and 64, and 8 percent aged 65 and over. In five years, the share of residents under age 15 had dropped to 21 percent of the total population. The share of the population aged 15 to 64 rose to 70 percent, and the share aged 65 and over increased to 9 percent.

The population of Osaka City is considerably older than that of the surrounding municipalities. While only 18 percent of city residents were under age 15 in 1985, 23 percent of the residents of the municipality of Sakai were under age 15. The city is home to a higher percentage of elderly than the surrounding municipalities. Those aged 65 and over made up 10 percent of the population of the city, but only 7 percent of Sakai's population, for example.

WHERE THEY WORK

(Percent of Osaka workers employed by industry, 1980–1987)



SOURCES

The best source of demographic data on the Osaka metropolitan area is the Osaka Statistical Association. This organization produces *The Osaka Statistical Yearbook.* It can be purchased for 5,000 yen (US$35) from the Osaka Statistical Association, No. 2 Ohtemaeno-cho, Higashi-ku, Osaka, 540, Japan. An additional 3,300 (US $25) yen are required for airmail postage.

—Denise Rusoff

***(Retirement,** continued from page 1)*

Japan's elderly population is growing the fastest. Between 1970 and 1996 the Japanese elderly's share of the total population will double from 7 to 14 percent. (It took France 115 years and the U.S. 66 years to see their elderly populations double as a proportion of the total.)

The massive movement into old age will have significant effects on consumption, savings, the labor force, and the allocation of federal funds in each country. Specifically, the demand for health care products, long-term care facilities, and labor-saving household goods will increase dramatically. Savings will increase in varying degrees. In countries where benefit plans are already in debt, such as Italy, peak earners and the elderly will save a lot more as they prepare for their future.

The labor force of most industrial countries has already changed with the aging of populations. Of the working age population aged 15 to 64, the younger age groups (i.e., 20 to 29) are declining rapidly, while older groups (i.e., 40 to 49) are growing. Since workers aged 40 to 60 are usually the largest savers, this new labor force composition may also point to higher savings rates, especially in Canada and the United States, where members of the baby boom generation are approaching their middle working years.

Perhaps the most pressing economic issue affecting elderly populations worldwide, though, is the nature of government expenditure on social security. Most European benefits programs (with the exception of Italy) are funded on a pay-as-you-go basis, according to the Employee Benefit Research Institute in Washington, D.C. Current workers finance the retirement of the elderly through payroll taxes, and they, in turn, will rely on younger generations to finance their retirement. The system remains balanced as long as the number of workers exceeds the number of retirees.

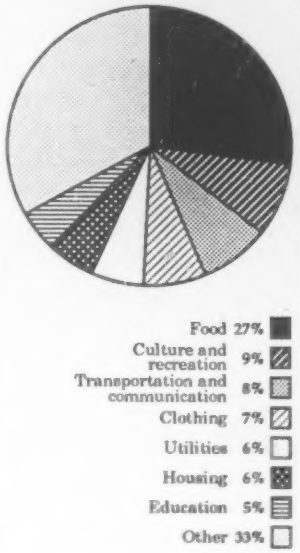
Because the number of retirees is expected to swell after the year 2010, many governments are in the process of reforming the pay-as-you-go nature of these social security systems. In Canada, a 25-year plan went into effect on January 1, 1987, which was designed to augment the financing of the earnings-related portion of the Canadian Pension Plan. The government of France has adopted emergency tax increases to tackle a projected deficit of $6.6 billion in the 1988 Social Security System. Perhaps the most comprehensive reforms have been adopted in Japan. Act 34, which became effective as of April 1, 1986, is designed to increase payroll taxes and reduce benefit accrual rates. For all of these countries, there is an increasing trend towards privatization of retirement support.

As the burden of retirement increasingly falls on the individual, exporters should modify their marketing plans. Affordable leisure products and specialized services, such as home entertainment or housecleaning support, may be more realistic choices for tomorrow's retirees.

—Blayne Cutler

OSAKA—WHERE THE MONEY GOES

(Percent of total household expenditures by commodity, 1986)



DISCOVER PERTH, AUSTRALIA

Closer to the capital of Indonesia than it is to the Australian capital, Canberra, Perth is one of the fastest growing metropolitan areas down under, remoteness notwithstanding. Described variously as a "boom town," a frontier city, and the emerging financial capital of Australia, Perth, with a population of 994,472, is best known internationally for its short-lived possession of the coveted America's Cup.

While Perth's promising economy has temporarily faltered with the stock market crash, its long-term strength should remain intact. Businesses considering market opportunities in Australia should examine this "new" city's young population, whose education and income are on the rise.

The America's Cup race brought to Perth and to its nearby port, Fremantle, considerable tourist-based development. But even before the America's Cup, Perth was an attractive tourist spot for travellers, given its reputation for more sunshine and clear days than any other major city in Australia. Cool winds, called the "Fremantle Doctor," blow in every afternoon during the hot months (December, January, and February) to keep the climate comfortable for Perth residents.

Perth is the capital city of Western Australia, a state with a land area three and a half times the size of Texas. Although Western Australia occupies nearly one-third of Australia's total area, the population of the state accounts for only 9 percent of the Australian population, making W.A. the least densely populated state—only 0.51 persons per square kilometer. Over 70 percent of the state's population live in Perth, which is 43 times more populous than the second largest urban area in Western Australia, Bunbury.

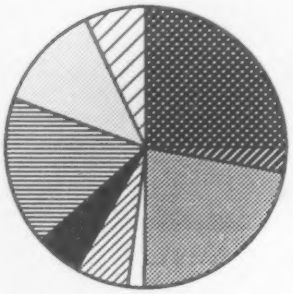
Perth's "boomtown" reputation rests less on its America's Cup status than on its role as commercial clearing house for nickel, iron ore, gold, uranium, and diamonds mined in the far reaches of the state. Perth-based stocks soared in recent years, leading residents in the eastern states of Australia to refer—somewhat covetously, somewhat disdainfully—to the "new money" class of Perth, with its ostentatious cars, yachts, houses, and stables of racehorses. Popular Australian opinion holds that Perth has more millionaires per capita than any other city in Australia.

After the recent spectacular stock market crash, however, journalists are referring to Perth as "Scrip City, W.A." and the boom image turned to bust. A run on Perth's largest merchant bank, Rothwell's, led to its threatened collapse shortly after the stock market disaster. But the concerted efforts of the state government and influential Perth business leaders, including Alan Bond of America's Cup fame, managed to salvage the bank with a guaranteed loan of $150 million. The impact of recent events on the Perth economy is still unknown, but as one local economist has noted, "Perth is out of the race for the financial capital of Australia." Even so, as one of the world's largest producers of gold and other mineral deposits, Western Australia has enormous economic potential.

Perth's reputation as a "boom" city also stems from its rapid rate of population growth—fueled by substantial international migration. While growth rates have slowed from those experienced during the 1950s, 1960s, and early 1970s, Perth has been the fastest growing capital city (2.07 percent average annual growth) since 1976. Perth's popularity with migrants in the 1950s and 1960s reflected the city's position as first port of call during the period when most international migration to Australia was by sea and when the majority of

EATING, PLAYING, AND LIVING WELL IN PERTH

(Percent of total household expenditures by commodity, 1984)



▩ Total housing **25%**
▨ Fuel and power **3%**
▦ Food, beverage **22%**
☐ Tobacco **2%**
▨ Clothing, footware **6%**
■ Medical, personal **5%**
▤ Transport **17%**
☐ Recreation **13%**
▨ Miscellaneous **7%**

Source: Ian Castles, 1984 Household Expenditure Survey. *Australian States and Territories, Australian Bureau of Statistics, June 1987.*

migrants hailed from the United Kingdom. As a result, Perth has a distinctively British atmosphere and continues to be an attractive place for British migrants to settle. Over half of all foreign-born residents of Perth are from the United Kingdom, accounting for nearly 18 percent of the Perth population. Businesses which export to the United Kingdom may find a unique advantage in marketing to Perth, since these consumers may have similar tastes or buying habits to consumers in the U.K.

THE HOMEOWNER'S CITY

Perth is a low density city with nearly four-fifths of its housing stock accounted for by single detached dwellings. Apartments in buildings over three stories high account for only 2 percent of Perth's housing stock. Despite the affluence associated with Perth, the city has the lowest housing prices of all major Australian cities. The median price of a home for first time home buyers was A$52,000 (US$35,000) in 1986, compared with a national average of A$65,500 (US$44,000). The median price for a home in Perth is only 2.6 times the income of Perth's typical first-time home buyers.

Households choosing to trade up in the housing market can still find a bargain, with a median price of A$66,000 (US$44,000) compared with the national median of A$81,000 (US$54,000), or the A$90,000 plus (US$60,000) that Sydney and Melbourne residents can expect to pay when they trade up. The affordability of housing in conjunction with the large proportion of childless married couples (25 percent of households in Perth compared with 22 percent nationally) may explain why Perth has the highest rate of homeownership among the major cities of Australia—fully 73.5 percent of households own their homes.

(continued on p. 12)

Australia's "boom town" rebounds after stock market crash.

PERTH INCOME REPORT

Families make as much, but spend less than the national average.
(Number of residents in income category and percent share, 1986)

	Individuals					*Share*		
Income	*Male*	*Female*	*Total*	*Families*	*Households*	*Total*	*Families*	*Households*
Total	372,907	393,882	766,789	269,760	342,687	100%	100%	100%
Income								
$0	20,288	59,955	80,243	1,639	2,257	11	1	1
$1–4,000	62,879	124,413	187,292	4,931	24,220	24	2	7
$4,001–10,000	86,721	115,964	202,685	53,059	69,037	26	20	20
$10,001–17,000	124,591	56,762	181,353	61,850	78,898	24	23	23
$17,001–34,000	53,613	9,803	63,416	90,650	102,298	8	34	30
$34,001 and over	6,665	696	7,361	25,215	30,046	1	9	9
Not stated	18,150	26,289	44,439	23,372	26,955	6	9	8

Notes: Income statistics exclude persons aged 0 to 14. Income breakdowns were rounded to nearest thousand U.S. dollars using 1986 exchange rate, A$1=US$0.6709. Breakdowns in Australian dollars were: $4–6,000; $6,001–15,000; $15,001–26,000; $26,001–50,000; and $50,001 and over. Families where spouses were temporarily absent numbered 9,044 (3.4 percent of all families). Households where spouses were temporarily absent numbered 8,976 (2.6 percent of all households).

Source: Australian Bureau of Statistics, 1986 Census, City of Perth.

THE BATTLE FOR BEER DRINKERS

Faced with aggressive Australian, Canadian, and German beer marketing on home turf, U.S. brewers are taking notice that the battle for customers has gone international.

PRODUCT COMPARISON

Beer is one of the oldest beverages known to carry a buzz, and one of the most universally brewed in countless variations.

Such individuality breeds a fondness for the familiar—a chauvinism, almost—among consumers. Beer drinkers depend less on imports than do consumers of wines and spirits: Partly this is because drinkers are loyal to the brand of a certain region. Partly, it is because beer is bulky to ship and has a short shelf life. These are some of the reasons brewers have always found it challenging, if not discouraging, to market beer outside certain boundaries. But the opportunities are opening up for smart marketers.

"It's hard to sell U.S. beer abroad," says Philip Katz, vice president for research at the Beer Institute in Washington, D.C.

Faced with aggressive Australian, Canadian and German beer marketing on home turf, U.S. brewers are taking notice that the battle for customers has gone international. *Beverage Media's* William Slone estimates that imports account for 86 percent of a first-quarter recovery in American beer consumption in 1987, following a four-year dip.

The defense? Go on the offensive. But that could be harder than it seems.

If U.S. brewers go after Australian guzzlers, for example, they'll be battling a trend away from beer drinking. Australia—despite its reputation for tossing them back—has been retreating down the world tippling order in recent years. And, since 1975, the alcohol content in Australian beer has fallen as much as 25 percent.

According to a January 1986 international survey by the Brewers Association of Canada, Ireland is seventh on a list of 32 countries ranked by liters of beer consumed per capita annually, with a per capita consumption of 120 liters. East Germany is first (147), Australia is ninth (115), the U.S. is twelfth (91) and Israel is last (just 11).

Conspicuously absent from the list of countries is China, with its 1 billion-plus population. "China has enormous potential, and they do like beer," says the Beer Institute's Katz. But little has been done because doing business there

THE WORLD MAKES, EUROPE TAKES

While beer production is spread evenly throughout the world, eight of the top ten beer consuming countries are located in Europe.

(Beer production in billion liters, 1986; consumption in liters per capita, 1984)*

Makers	*Production (billion liters)*
United States	23.2
West Germany	9.4
Soviet Union	6.0
Britain	5.9
Japan	5.0
China	4.0
Brazil	3.1
Mexico	3.0
East Germany	2.5
Spain	2.4

Takers	*Consumption (liters per capita)*
East Germany	146.7
West Germany	144.4
Czechoslovakia	140.1
Denmark	134.0
Belgium	125.0
Luxembourg	120.6
Ireland	120.0
New Zealand	116.2
Australia	115.0
United Kingdom	110.1

** Consumption for East Germany is for 1983.*

Sources: Brewers Association of Canada, International Survey, Alcoholic Beverages, Taxation and Control Policies, *p. 493;* The Economist, *9/12/87, p. 67.*

"wasn't considered possible until a few years ago," Katz notes.

China has its own emperor of beers, Tsingtao, made in the country's biggest and oldest brewery, one built by Germans and Britons at the turn of the century.

Significantly, the Chinese themselves have little access to their own beer. Earnings from the state-owned operation become part of the government's much-needed foreign currency, so the government exports as much beer as possible—some 60 percent of the 100,000 tons produced annually.

Chinese authorities profess eagerness to establish joint ventures, and have reached agreement with Switzerland's Feldschlosschen for a brewery capable of producing 20 million liters per year.

London market researchers E.R.C. Statistics International predict Chinese beer consumption will increase by 20 percent a year until 1990. China would then become the world's third largest market.

Neighboring Japan also shows an increased appetite for beer, attributable to changes in lifestyle, increased drinking by women, and greater economic prosperity. Sake remains Japan's most popular alcoholic drink—but just barely. Sake's share of the market has fallen from 51 percent in 1962 to 31 percent in 1984. Beer's share of the market, meanwhile, increased from 19 to 31 percent.

Spain is yet another blossoming market. A nation already inclined toward alcohol consumption, Spain is now embracing beer. The Canadian Brewers' report estimated consumption at 10.86 liters per capita in 1984—2.66 liters in beer. In 1962, per capita alcohol consumption was 10.60 liters—with just 0.68 liters in beer.

Nearly 85 percent of the adults in Spain drink. According to custom, drinking often begins in the morning, with coffee and cognac for breakfast, sherry or red wine at mid-morning, beer or wine with a light noon meal, wine with the main afternoon meal, drinks after work, and more wine with an evening dinner.

Almost everywhere alcohol is consumed, the issue of abuse has come up. Most countries have at least one government department and several private groups dedicated to the issue, such as Norway's National Institute for Alcohol Research, Canada's Addiction Research Foundation, and New Zealand's Alcoholic Liquor Advisory Council.

—Marilyn Greene

ENDING A CENTURY OF URBANIZATION: 1995–2000

The world's city populations have grown dramatically in this century. Here's how fast some important cities will grow during the last five years of the twentieth century:
(Average annual growth rate, 1995–2000, in percent)

City	*Population growth*
Islamabad, Pakistan	6.76
Nairobi, Kenya	6.29
Addis Ababa, Ethiopia	4.73
Quito, Ecuador	3.67
Bangkok, Thailand	3.63
Dehli, India	3.53
Kuala Lumpur, Malaysia	3.53
Riyadh, Saudi Arabia	3.51
Jakarta, Indonesia	3.22
Rangoon, Burma	3.15
Wellington, New Zealand	3.08
Lisbon, Portugal	2.47
Guadalahara, Mexico	2.35
São Paulo, Brazil	2.16
Beijing, China	1.84
Seoul, South Korea	1.33
Singapore, Singapore	0.78
Sydney, Australia	0.75
Moscow, USSR	0.72
Tokyo/Yokohama, Japan	0.50
Montreal, Canada	0.20
London, United Kingdom	0.09
New York, USA	0.04
Berne, Switzerland	0.00
Hamburg, West Germany	0.00
Stockholm, Sweden	0.00

Source: The Prospects of World Urbanization, *United Nations Publications, New York, 1987.*

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*(**Perth,** continued from p. 9)*

PERTH'S PEOPLE BUY FUN

Perth's average weekly household income of A$452 (US$303) in 1984 was not far below the national average weekly household earnings of A$481 (US$323). Household spending, at A$363 (US$244) per week, is less than the national average of A$378 (US$254)—no doubt mirroring the low housing costs.

Transport, which accounts for 17 percent of expenditures, is the only item for which Perth residents pay relatively more than those in other Australian cities. Perth residents rely more on private transport that do residents in other capital cities, since buses and trains do not run as frequently. Perth residents also spend relatively more on recreation than do the residents of Sydney, Brisbane and Adelaide.

An upswing in the world economy and in mineral prices would assure success for Perth. Demographically, it is expected to be one of the most rapidly growing Australian metropolitan areas from now to the year 2001, growing almost twice as fast as Sydney or Melbourne. With employment opportunities also rising, Perth is likely to weather the stock market crash and re-establish itself as Australia's preeminent boom town.

—Maryann Wulff
Australian Institute of Family Studies,
Melbourne, Victoria

WHERE TO LEARN BUSINESS JAPANESE

Having a member of your negotiating team fluent in Japanese could be your greatest asset when conducting business with Japan.

Learning the Japanese language with its many levels of politeness and formality, each used in its own proper social setting, can be quite a chore. Beginning Japanese students learn 11 different ways to make the simple request of having something read for them, from the most casual and informal *yonde* to the most polite and deferential *oyomi ni natte kudasaimasan ka?*

The Johnson Graduate School of Management (JGSM) at Cornell University offers two interdisciplinary programs to help future international managers develop Japanese language skills and acquire an area studies background.

In the joint M.A. (Asian Studies) and M.B.A. program, students spend their entire first year in Cornell's FALCON (Full-year Asian Language CONcentration) program studying Japanese. They then begin courses for the M.B.A. degree while continuing with Japanese language maintenance courses. Students actively use their language skills between their second and third year, while interning for the summer with a Japanese company. Nippon Steel, Nippon Telegraph, and Chase Manhattan Bank are some of the internship sites.

The second program is a two-year M.B.A. program with a concentration in Japanese business. Students take the summer FALCON program instead of the full-year program, but they also intern in Japan.

For further information on any aspect of Cornell's programs, call the Office of Admissions and Student Affairs, Johnson Graduate School of Management, at 800/847-2082.

—Denise Rusoff

There are currently 100,000 Japanese businesspeople in the United States, but only 8,000 American businesspeople in Japan.

—T. J. Pempel
Professor of Government,
Cornell University

INSIDE INFORMATION

REGIONS: DEMOGRAPHIC TRENDS AROUND THE WORLD

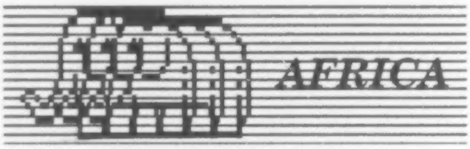
Want a fast-growing but developed market for your products? Try Australia, where results of the 1986 census show that the population grew 1.5 percent in 1986, 0.2 percent faster than it did in 1985. Overseas migration contributed fully 45 percent to the population growth—on balance, 103,000 foreigners migrated to the country down under. Migration contributed 5 percentage points more to growth in 1986 than it did in 1985. Overall, Australia now has more than 16 million inhabitants.

But don't fall for Crocodile Dundee stereotypes. The image of Australian "Sheilas" as dutiful but subservient wives to cowboy-like husbands may be on its way out. *Women in the Home,* a survey of Australian women by the Victorian Women's Advisory Consultative Council, indicates that women are concerned about the low status of work at home. But only 6 percent blame men for this situation.

Many more Australian women are returning to work after childbearing. Among mothers with children aged 5 or younger, 40 percent have returned to work; among mothers with children aged 5 to 14, 62 percent work. Sixty-six percent of mothers aged 25 to 34 reported that they found childrearing "rewarding and challenging." Thirty-seven percent of the Victorian respondents found life at home "boring, tedious, lonely and monotonous."

For more information on the attitudes of Australian women, write to the Victorian Women's Consultative Council, Department of the Premier and Cabinet, 1 Treasury Place, Melbourne, Australia.

The American media are not alone in coming up with strange names for certain groups of people. Step aside, yuppies: here comes the Nose Brigade. According to the *World Press Review,* **Zimbabweans** have tagged a certain group of citizens with this name. The most telling characteristic of members of the nose brigade, who are mostly black suburbanites, is their manner of speaking English. Some might call it affected. "A general definition of a member of the nose brigade is an individual who, in attempting to improve his or her English tone by speaking through the nose, produces what some hear as a ridiculously squeaky sound. Others have said it is 'better' English than that spoken by the Queen herself," explains columnist Brian Maphosa in the *Sunday News* of Zimbabwe. Maphosa also asserts that the nose brigade developed these habits by integrating extensively with whites.



If you have workers in the Netherlands, take note: Equality in parental leave will become a reality starting in 1988. According to the new parental leave laws, described in the European Community's *Women and Men of Europe* mothers and fathers will be guaranteed shorter working hours for six months after a child is born (if they so desire). One stipulation, however, is that these parents must work at least 20 hours a week.

Separation of church and state has never been an option in Spain—until this year. *The Economist* reports that the share of

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income tax revenues which had been automatically allocated to the Catholic church may now be spent on secular welfare and culture, depending on the wishes of the Spanish taxpayer. If Spaniards opt overwhelmingly for secular social spending, the Spanish government will help the Church financially for three years. This prospect seems likely, since only one in four Spaniards considers him or herself a regular churchgoer. Although the Catholic Church must support itself in three years, it will still receive the benefits of tax-free property and subsidies for education.

No vacation for advertisers: Traditionally, when Europeans took their summer vacations, so did advertisers. This trend is beginning to change, reports the West German company Verlagsbruppe Baur. The seasonal flux of marketing is changing especially in northern Europe so that summer advertising has increased and late fall advertising (usually a blitz) has fallen, according to Sweden's *International Trend Report.* The positive aspects of marketing during the summer: people have more time to read newspapers; there are fewer ads, so they stand out more clearly; the shortage of direct mail means that any piece will get relatively more attention.

INTERNATIONAL DEMO MEMO

A British cat costs $260 a year to maintain—more than the annual income of at least 1 billion people living in 15 of the world's poorest countries.

—Lloyd Timberlake
Only One Earth

German Psychographics: In an October Bundestag hearing, West German Transportation Minister Jurgen Warnke pointed to sexual frustration as one cause of speeding on the country's highways. Social Democratic deputies agreed, adding that women tend to drive more carefully than men. Does this mean that German women are less frustrated than men?

ASIA/ PACIFIC

Log cabins in suburban Yokohama? One of the biggest hits at the 1987 "Good Living Show" in Tokyo, Japan was the display of log homes. The Japanese desire for log cabins reflects an increasing popularity of outdoor life, according to *Focus Japan*. There is even an association, the All-Japan Log House Promotion Association, which monitors the sale and do-it-yourself assembly of these prarie domiciles. "The people who got sufficient satisfaction from simply reading magazines and catalogues have begun to actually participate in outdoor life," noted an editorial staff member of the Japanese *Outdoor* magazine. Some of the more novel outdoor sports include grass skiing (whose fans number approximately 30,000), and scuba diving (with 400,000 enthusiasts, but expected to increase to 1.5 million within the next three years).

In part because of the growing threat of AIDS, Indonesia opened its first condom factory on February 25, 1987. The plant, built by an Indonesian and Japanese consortium, can produce 900,000 condoms a year. Since Indonesia's primary natural resource is rubber, the plant will rely on natural materials. According to the *UN Fund for Population Activities Newsletter,* condoms are distributed free of charge to Indonesian couples who are part of the national family planning programs.

CENTRAL ASIA

Teenagers are always getting into trouble, and Soviet teens are no exception. When asked what they considered the most lucrative occupations in the Soviet Union, a majority of the 17-year-old Muscovites said black marketeering and profiteering. Their answers were part of a survey conducted by the Writers' Union weekly *Literaturnaya Gazeta,* with help from other sociological journals. Some of the other high ranking, lucrative occupations named by teens included military officer, auto mechanic, restaurant worker, journalist, prostitute, and diplomat. As for social values, The *World Press Review* reports that teens chose loyalty of friends above all else. Love and an interesting profession were important, while sex and imitations of the West (except for clothes) were not.

Pepsico Inc. signed the first fast-food joint venture with the Soviet Union in September. The agreement will allow two Pizza Hut restaurants to open their doors in Moscow, providing that negotiations continue smoothly. McDonald's Corporation is also holding talks with Soviet officials to open restaurants in 1988.

LATIN AMERICA

High fertility rates in Latin American countries are usually not a good sign of economic prosperity and market potential. The incidence of extremely high childbearing in Latin America often indicates poverty. While these women are bearing fewer children on average than they did a decade ago, they still maintain some of the highest fertility rates in the world. *Bolétin Demográfico,* a publication of Centro Latinoamericano de Demografia (CELADE), reports that the average number of children born to a Latin American woman has decreased in 20 countries, but rates remain high in Bolivia (6.3), Guatemala (6.1), Honduras (6.2), and Nicaragua (5.9). Cuba, Chile, and Uruguay reported the lowest fertility rates at 2.0, 2.8, and 2.8 respectively.

Conferences:

May 25–27, 1988: French Riviera 15th International Research Seminar in Marketing. Cosponsored by the French Foundation for Management Development and AMA, organized by the Institut d'Administration des Enterprises, Universite d'Aix-Marseille III, at La Londe les Maures. This seminar will focus on services marketing. The Chairman is Leonard L. Berry, Foley's/Federated Professor of Retailing and Marketing Studies, College of Business Administration, Texas A&M University, College Station, TX 77843-4112. Deadline for paper submission is February 12.

May–July, 1988: The Nineteenth Summer Seminar on Population. (May 31 to June 24 in Honolulu, Hawaii and June 26 to July 1 in Bangkok and Chiang Mai, Thailand). This seminar is sponsored by the East-West Center's Population Institute. Four workshops will cover labor force issues, family planning programs, analysis of fertility and child mortality data, and international migration. For further information write: Nineteenth Summer Seminar on Population, East-West Population Institute, 1777 East-West Road, JAB 2072, Honolulu, Hawaii 96848. The deadline for receipt of completed applications is February 14, 1988.

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BRANDING CAN MAKE A DIFFERENCE

Branding: A Key Marketing Tool, edited by John M. Murphy, August 1987, McGraw Hill, New York, 192 pp., $19.95. Order from McGraw Hill Book Company, 11 W. 19th St., New York, N.Y. 10011.

As "the single most potent means of differentiating one product from another," branding can be one of the most valuable assets a company has. Editor John M. Murphy, chairman of Interbrand/Novamark Group, brings together 18 experts who analyze the obvious and subtle ramifications of branding in separate essays.

The speed with which products become standardized around the world has increased tremendously, a fact which will have a significant effect on brand loyalty. As so many countries can imitate a manufacturing process, quality and price move toward uniformity, and products are made in countries that have a natural cost advantage. "Against this background," notes essayist Steve Winram in "The Opportunity for World Brands," "individual products or brands are perceived as having a short rather than an indefinite life expectancy."

In the essay "History of Branding," author Adrian Room notes that branding is as old as the Greek Parthenon, where public messages linked a man with his shop or service. Thus, names became some of the first "brands," and continue to operate in much the same way today. Many chain stores, such as Woolworths, began as a proprietor's single shop. In Rome, shop owners began using pictures to advertise their wares, since many potential buyers were illiterate. Today, visual puns are used to suggest brand names, such as the Shell, Birds Eye, and Lancia logos.

"People buy brands not products," assert authors Tom Blackett and Graham Denton in the essay "Developing New Brands." Ninety percent of "new" products in America have not been new at all; they have merely been repackaged, restyled or refitted to changing consumer tastes. A presentation which sets a product apart from its competitors in a clearly communicated fashion is the most successful marketing tool. The authors use L'Eggs pantyhose, Clinique cosmetics, and Tic Tac mints as successful examples.

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Consumer markets abroad

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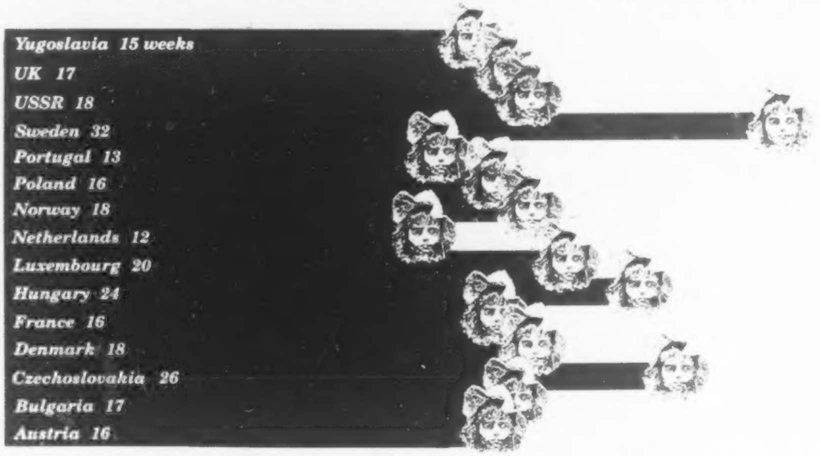
EUROPEANS PROMOTE PROSPEROUS PARENTING

WHERE BABY BENEFITS ARE BEST

In terms of leave, Sweden offers the greatest support to working parents.
(Duration of parental leave for first birth at 90–100% pay, in weeks, 1987)



Source: Klinger, Dr. András, "Policy Response and Effects," Plenaries, *European Population Conference 1987, Central Statistical Office of Finland, Table 2, p. 404.*

LIFESTYLES AROUND THE WORLD

What do pregnant women in Europe get that pregnant women in the U.S. don't? Peace of mind on the job. In an effort to encourage larger families in today's dual-income world, European governments have minimized the economic uncertainty that comes with juggling work and family. Time, money, and job security not only make parenting possible but also create an opportunity for marketers to service the growing demands of about 6 million new parents each year.

Unlike the ad hoc maternity arrangements that abound in American offices, comprehensive coverage during and after pregnancy characterizes the European workplace. Maternity benefits, paid maternity leave, and family allowances are often required by law, and in some cases are enhanced by private employers.

Every European country except Denmark gives a cash bonus to women immediately upon delivery (a maternity benefit), which ranges from 24 percent of the average monthly wage (in Austria) to 425 percent of the average monthly wage (after the third birth in France). Those payments are designed to defray the new costs that all parents face for diapers, rattles, and other baby-care supplies.

Maternity payments usually do not vary with a woman's income, but some countries qualify their bonuses to reinforce healthy habits: Swiss women re-

(continued on p. 9)

Coming next month... The Caribbean Basin: Learn why these islanders may not be as similar as you think.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 2 FEBRUARY 1988

MEASURING GLASNOST *IN AND OUT OF THE U.S.S.R.*

Joint ventures are now possible in the world's third largest country, but only for those companies that understand what *glasnost* and *perestroika* mean to the average Soviet citizen.

IN DEPTH

Chinese officials may think they've seen everything now that Colonel Sanders looms larger than life over Chairman Mao's mausoleum. But their surprises are not over—at least not until the doors of Pizza Hut open on one of Leningrad's major thoroughfares, such as Nevsky Prospekt. And recently the Soviet Union has begun to follow the Chinese example with more than just fast food.

The open door is a symbol of the pragmatic mood that is sweeping countries in the economically frenzied eighties. New Soviet initiatives characterized by General Secretary Mikhail Gorbachev as *glasnost* (openness) and *perestroika* (restructuring) follow nearly ten years of change in the People's Republic of China—change that has shown how market activity and democratic debate can fare in a communist society.

But the Soviet experiment, whose emphasis on market activities has been hailed in the Western media, is hardly a monolithic effort. In 1988, the 286 million Soviet citizens, who represent 150 ethnic groups (of which "Russian" is only one) and who live on two continents, will be affected by *perestroika* in dramatically different ways. The U.S.S.R.'s complex demographics will figure significantly in determining those unequal effects.

If Gorbachev's campaign continues as planned, however, one group sure to enjoy success in the coming years will be patient exporters who explore the new Soviet arena to test their marketing skills.

WHAT HAS CHANGED

Perestroika aside, the U.S.S.R. has been conducting business with the United

A LAND OF ELEVEN TIME ZONES

Few people outside the Soviet Union (area in square miles: 8.6 million) realize that the trip from Leningrad to New York is shorter than the trip from Leningrad to the eastern city of Vladivostok, U.S.S.R.

ARCTIC OCEAN
BERING SEA
Finland
LATVIA
ESTONIA
LITHUANIA
BELORUSSIA
MOLDAVIA
UKRAINE
BLACK SEA
PACIFIC OCEAN
RUSSIAN SOVIET FEDERATED SOCIALIST REPUBLIC (R.S.F.S.R.)
SEA OF OKHOTSK
Turkey
GEORGIA
ARMENIA
AZERBAYDZHAN
KAZAKHSTAN
CASPIAN SEA
UZBEKISTAN
China
TURKMENISTAN
Mongolia
Japan
Iran
KIRGIZIYA
TADZHIKISTAN
Afganistan

Sources: Current History, *October 1987, and NYSTROM Division of Carnation Company, Chicago, No. DD51.*

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States for years. Pepsis have quenched many a Soviet's thirst since the first soda was made there in 1974. (Discussions for the bottling franchises began as far back as 1959.) Since the ruble is of little value in Western markets (as a nonconvertible currency), Pepsico has been paid in vodka by the caseload.

Today, for the first time since the days of Lenin, joint ventures are replacing the franchise as the legal and preferred form of business activity. Under new Soviet law, foreign corporations are permitted to own up to 49 percent of a business in the Soviet Union. Although the operation must be run by a Soviet citizen, management is split between the foreign and the local interests. American companies must get an export license from the U.S. government before they can conduct business with the Soviets to ensure that they do not trade sensitive equipment.

To date, nearly a dozen corporations have signed joint ventures with the Soviet Union, and at least 50 more have expressed an interest. Significantly, the companies with long-standing Soviet relationships, such as Pepsico, are most interested so far. They are familiar with the bureaucratic obstacles, and they have a network of Soviet contacts. Other corporations exploring joint ventures include Combustion Engineering, Honeywell, Cummins Engine, Occidental Petroleum, Ben and Jerry's Homemade Ice Cream, Monsanto, Archer Daniels Midland,

TWO COUNTRIES IN ONE

Central Asian republics have grown dramatically, while European republics (in the Slavic and Baltic regions) have barely grown at all.

(Population in thousands and urban percentage of U.S.S.R., 1959, 1985, 2000; annual growth rate 1959–85, in percent)

	1959		1985		2000	1959–85 annual
U.S.S.R.	*pop.*	*% urban*	*pop.*	*% urban**	*pop.*	*% growth*
U.S.S.R.	208,827	48%	278,857	66%	311,637	1.10%
Slavic republics						
R.S.F.S.R. (Russia)	117,534	52	143,861	73	150,931	.77
Ukraine	41,869	46	51,186	66	53,206	.77
Belorussia	8,056	31	10,028	63	10,831	.84
Moldavia	2,885	22	4,169	46	4,700	1.40
Baltic republics						
Estonia	1,197	56	1,536	72	1,590	.95
Latvia	2,093	56	2,609	71	2,667	.84
Lithuania	2,711	39	3,587	66	3,874	1.07
Transcaucasus						
Armenia	1,763	50	3,368	68	4,031	2.41
Azerbaydzhan	3,698	48	6,749	54	8,922	2.25
Georgia	4,044	42	5,270	54	5,917	1.01
Central Asia						
Kazakhstan	9,295	44	16,124	58	20,036	2.07
Kirgiziya	2,066	34	4,060	40	5,683	2.50
Tadzhikistan	1,981	33	4,620	33	7,206	3.07
Turkmenistan	1,516	46	3,282	47	4,877	2.83
Uzbekistan	8,119	34	18,410	42	27,166	2.98

* *Percentage urban for 1986.*

Sources: Kingkade, W. Ward, "Demographic Trends in the Soviet Union," in Gorbachev's Economic Plans, *study papers submitted to the Joint Economic Committee, Congress of the United States, 1987, tables 2 and 3.*

THE BIGGEST CITIES

More than twenty cities in the Soviet Union have at least one million people.

(Population in thousands, 1982)

City	*Pop. in 1982*
Moscow	8,302
Leningrad	4,722
Kiev	2,297
Tashkent	1,902
Baku	1,616
Kharkov	1,503
Gorky	1,373
Minsk	1,370
Novosibirsk	1,357
Sverdlovsk	1,252
Kuibyshev	1,243
Dnepropetrovsk	1,114
Tbilisi	1,110
Odessa	1,085
Erevan	1,076
Cheliabinsk	1,066
Omsk	1,061
Donetsk	1,047
Perm	1,028
Kazan	1,023
Ufa	1,023
Alma-Ata	1,001

Source: "Naselenie S.S.S.R.: Spravochnik," Moskva: Izdatel'stvo politicheskoi literatury, *no. 12, 1983, p. 28.*

SSMC (sewing machines), and Dresser Industries.

FIRST THINGS FIRST

As Gorbachev has made abundantly clear, the Soviet economy needs basic foreign technology to move into the 21st century on an equal footing with other industrialized countries. In addition to attracting foreign capital, it must get its domestic house in order. The growth in the gross national product, which hovered at an annual 2.5 percent in the early 1980s, must double, according to the Twelfth Five Year Plan (1986–1990). As of January 1, 1988, the State Enterprise Law required 37,000 firms to be responsible for profits and losses for the first time in nearly 70 years.

Even more disturbing for factory managers and workers alike is the fact that their output is scrutinized periodically for *gospriemka,* or quality control, by the state inspection agency. In some cases, 20 to 30 percent of all goods in a factory are rejected by inspectors because their quality is low. "Working for the storehouse," a Russian expression for producing goods that never reach the store shelf, is no longer an acceptable practice. Government officials also are pressing for more exportable goods. For a worker who makes about 2,340 rubles (US$3,840) a year, the new disruptions at work may seem hardly worth the trouble.

SKELETONS IN THE CLOSET

The Soviet Union's 1988 population of 286 million people, estimated by the U.S. Census Bureau's Center for International Research, has relatively few men, especially in older age groups, and has a growing ethnic mix.

Overall the Soviet population will grow by 0.8 percent this year, according to Census Bureau estimates. Nationally 26 percent of all Soviets are aged 15 or younger, and 9 percent are 65 and over, but regional statistics diverge from the averages—a situation explained by the increasing ethnic differences.

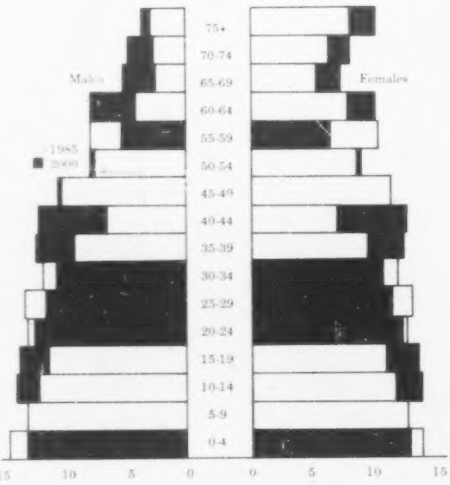
In fact, ethnicity has become such a sensitive political issue in the U.S.S.R. that U.S. demographers think Soviets deliberately delayed the release of regional age distributions from the 1979 census (the most recent census taken). Soviets in the European republics, primarily Slavs and Balts, have traditionally held the most powerful political positions. But they may become a minority in the twenty-first century. Average annual population growth between 1970 and 1980 in Russia (Russian Soviet Federated Socialist Republic [R.S.F.S.R.]) and in the Ukraine was only 0.6 percent.

Soviets in Central Asia are predominantly Muslim. They speak little Russian, and they are less educated than their northern counterparts. They are also increasing rapidly in number. Dur-

THE LOPSIDED FUTURE

Soviet women will continue to outnumber Soviet men in older age groups to the year 2000.

(Population by age group, 1985 and 2000, in millions)



Source: U.S. Bureau of the Census, estimates and projections.

ing the 1970s, the average annual population growth in the republics of Tadzhikistan and Uzbekistan amounted to 3.0 and 2.9, respectively.

Slavs accounted for 72 percent of the population of the U.S.S.R. in the 1979 census, Balts accounted for 2 percent, Muslims accounted for 17 percent, and a variety of ethnic groups made up the difference. Projections show that by the year 2000, the Slav share will decline to 70.5 percent, Balts will grow slightly to 2.6 percent of the population, and the Muslim share will rise to 21 percent. Party leaders fear that these proportional shifts bode poorly for the future of the country.

A Muslim woman in the Central Asian republic of Tadzhikistan, for instance, has an average of six children in her lifetime. A woman from Russia (R.S.F.S.R.) has an average of two.

Recently, a concerted effort has been made by government planners to narrow that gap among ethnic groups by expanding maternity benefits and health care. The benefits—including partially paid leave for 12 months and unpaid leave for an additional 6 months—are designed so that European women, in particular, will bear more children in the coming years. Since female labor participation is highest in the European republics, paid leave will be the most help to them. So far, the policy has had some success; fertility in the European republics is increasing for the first time since 1960.

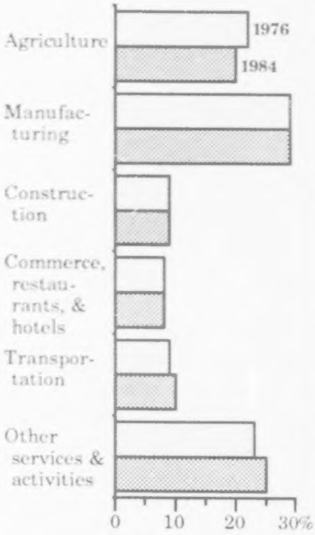
The most immediate consequences of this changing ethnic structure show up in the labor force. Already, entry-level workers are scarce in European Russia, where about 60 percent of all Soviet industrial activity takes place. They will become even scarcer in the coming years. The Soviet labor force gained 2.5 million workers between 1981 and 1985: Ninety-one percent of new workers were from Central Asia. The European labor force actually fell by 33 percent. A 41 percent gain in the proportion of "other nationalities" made up the difference, according to the U.S. Census Bureau.

The labor force problem is so severe that Soviet officials have tried to get surplus workers in the Asian republics to migrate to European republics. But Muslims have been unwilling to move to urban centers. Consequently, the Asian republics have remained significantly more rural than their European counterparts. The Asian republic of Kirgiziya was 40 percent urban in 1986, for example, while European Estonia was 72 percent urban.

SQUELCHING SMIRNOFF

Gorbachev's first risk as general secretary of the Communist Party was to try to cut the consumption of a

WHERE THEY WORK
While most employment is strictly regulated, the number of service workers has increased in the past decade.
(Percent of U.S.S.R. workforce by industrial sector, 1976 and 1984)



Source: International Labor Office, Yearbook of Labour Statistics, *1986, p. 374.*

THE EASTERN MELTING POT
The U.S.S.R. will be characterized by increasing diversity until the end of this century.
(Major ethnic groups in the U.S.S.R., in thousands and percentage, 1959, 1979, 2000)

	1959		*1979*		*2000**	
Ethnic group	*Number*	*Percent of total*	*Number*	*Percent of total*	*Number*	*Percent of total*
U.S.S.R. (total)	208,827	100.0%	262,436	100.0%	311,637	100.0%
Slavs	159,280	76.3	189,207	72.0	219,668	70.5
Balts	4,715	2.3	5,310	2.0	8,131	2.6
Muslims	24,738	11.8	43,772	16.7	64,968	20.9

* *Projections from Kingkade, W. Ward, "Demographic Trends in the Soviet Union," in* Gorbachev's Economic Plans, *study papers submitted to the Joint Economic Committee, Congress of the United States, 1987, tables 2 and 3.*

Source: Feshbach, M., "The Soviet Union: Population Trends and Dilemmas," Population Bulletin, *vol. 37, no. 3, 1983, p. 22.*

BACK TO LIFE

Gorbachev's anti-alcohol campaign has sparked a recovery in Soviet life expectancy.

(Life expectancies at birth, 1968–71 through 1985–86, in years)

	Both sexes	*Male*	*Female*
1968–71	70	65	74
1971–72	70	64	74
1978–79	68	62	73
1983–84	68	63	73
1984–85	68	63	73
1985–86	69	64	73

Source: Vestnik Statistiki, 1974, no. 2, pp. 94–95, Narkoz, 1985, in Kingkade, W. Ward, "Demographic Trends in the Soviet Union," Gorbachev's Economic Plans, *study papers submitted to the Joint Economic Committee, Congress of the United States, 1987, p. 176.*

notorious staple in the Soviet diet: alcohol. In the past decade, the Soviets devoted nearly as many rubles to drink as they did to food. Alcohol abuse actually caused life expectancy to fall from 65 years to 62 years for Soviet men and from 74 to 73 years for Soviet women between 1970 and 1979. Such a drop in life expectancy is unprecedented for an industrialized nation.

Before Gorbachev's anti-alcohol campaign began, in May 1985, as many as 12 to 15 million Soviets were alcoholics, according to Alex Vancube at the Population Reference Bureau. (Some anti-alcohol advocates' estimates in the Soviet Union run as high as 40 million.) The government has cut the production of alcohol by more than one-third over the past two years, imposed fines on drinking in public places, and set a high drinking age of 21 to curtail increasing teenage alcoholism.

Not surprisingly, these measures have been unpopular among many Soviets, who claim that the anti-alcohol campaign has meant only a longer, colder wait in line to buy spirits in state stores. Even so, retail sales of alcohol have plummeted by more than 50 percent in the past two years. "Buying vodka is an almost impossible exercise," says Dimitri Simes, director of the U.S.-Soviet Project at the Carnegie Endowment for International Peace.

But alcoholism is not the only dismal health-related indicator that flourished in the pre-Gorbachev era. Infant mortality was also on the rise. The number of children under age one that died for every 1,000 born rose from 23 in 1971 to 31 in 1976. The U.S. Census Bureau predicts that that rate will fall back to 25 deaths per 1,000 this year.

Some of the reasons for that unprecedented rise in infant mortality include influenza epidemics, poor prenatal care, a large number of abortions per woman, a decline in breast-feeding, a rise in single parenthood, and a delay in seeking medical attention for infants. U.S. demographers also suspect that a rise in alcoholism among women has contributed to the increase in the number of children born with birth defects.

FAMILIAR DEBATES IN UNFAMILIAR PLACES

The Soviet Union has by far the highest abortion rate in the world. Sixty to 70

THE LABOR SHORTAGE

Slavic republics will lose the most workers around 1990, while Asian republics will gain them around 1995.

(Projected working-age population, in thousands, for the U.S.S.R. and selected republics, 1980–2000; men aged 16–59, women aged 16–54)

U.S.S.R.	*1980*	*1985*	*1990*	*1995*
U.S.S.R. (total)	154,806	158,455	160,796	163,728
Slavic republics				
R.S.F.S.R. (Russia)	83,791	83,543	82,462	81,817
Ukraine	29,289	29,250	29,237	28,975
Belorussia	5,727	5,861	5,886	5,908
Moldavia	2,323	2,410	2,493	2,593
Baltic republics	4,781	4,805	4,805	4,766
Transcaucasus	8,079	8,879	9,389	9,900
Central Asia	12,683	14,789	16,919	19,488

Source: Based on Baldwin, Godfrey S., "Population Projections by Age and Sex: For the Republics and Major Economic Regions of the U.S.S.R., 1970 to 2000," International Population Reports, *series P-91, no. 26 (Washington, D.C.: U.S. Government Printing Office, 1979), in Feshbach, M., "The Soviet Union: Population Trends and Dilemmas,"* Population Bulletin, *vol. 37, no. 3, 1983, p. 27.*

percent of all pregnancies in the U.S.S.R. are terminated by abortion, according to demographer Murray Feshbach's testimony to the U.S. Congress in 1983. Abortion is the country's major form of birth control. Each Soviet woman can expect to have as many as 6 abortions in her lifetime; some women admit to having 20.

Family life in the European republics is changing just as it is in the U.S. Divorce has become exceedingly common: Only 37 percent of marriages last more than three years, according to a July 6, 1986 report in *Moskovskaya Pravda.* The report cites financial troubles, "young" marriages, a lack of privacy, and conflicting work schedules as some of the main reasons for the high divorce rates.

RICH IN RUBLES, POOR IN PRODUCTS

One in five Soviet workers is in agriculture. The remainder of Soviet labor is divided almost equally between industry and services. Thirty-nine percent work in the industrial sector, and 41 percent work in the service sector. Both sectors are heavily concentrated in urban areas—such as Moscow, Leningrad, and Kiev.

Soviet workers have saved billions of rubles over many years. This is not because they earn a lot of money—their average monthly salary is only US$320—but because there is not much to buy. Many products—such as meat, sugar, and toothpaste, as well as nearly every kind of household amenity, are either not in the state stores or are sold at grossly inflated prices.

The ruble with its official exchange rate (US$1.64 = 1 ruble) is, by some estimates, four times overvalued. State subsidies keep prices for some goods artificially low while prices for other goods are artificially high. Bicycle tires, for instance, officially cost only $4 in 1977, motorcycle tires officially cost $13, and rent is controlled at less than $30 a month. But some goods are extremely expensive. When available in 1984, apples cost $6.10 a kilo, coffee cost $5.55 for 125 grams, and a color television set cost $771 (more than two months' pay), according to Euromonitor. As more quality goods fill the now empty state-store shelves, the Soviets' billion-ruble hope chest will certainly shrink.

Sixty-five percent of Soviet households owned a refrigerator in 1984. Fifty-five percent owned a washing

TYING THE KNOT

One in ten Soviet women between the ages of 25 and 29 has never been married.
(Distribution of the U.S.S.R. population according to marital status in 1979, by age and sex, in percent)*

	Men		*Women*	
Age group	*Never married*	*Married*	*Never married*	*Married*
total population aged 16 and over	23.9%	70.7%	16.2%	58.0%
20–24 years	59.9	38.4	35.5	60.2
25–29 years	17.4	78.5	11.4	80.6
30–39 years	6.1	87.8	4.8	82.8
40–49 years	2.3	91.6	3.8	78.8
50–59 years	1.2	93.0	5.5	64.8
60 and over	0.8	85.4	3.7	28.3

* *Note: This table does not include widowed or divorced men and women. Marriage rates are low in older age groups because of increased widowhood.*

Source: "Naselenie S.S.S.R.: Spravochnik," Moskva: Izdatel'stvo politicheskoi literatury, *no. 12, 1983, p. 89.*

CHEAP FIX-ITS

Large appliances have been relatively inexpensive to repair per unit, but the nation's total repair bills have been high.
(Ownership per 1,000 population, and cost of repairing household appliances, in U.S. dollars, 1977)

Refrigerators (per 1,000 population)	210
Average repair cost (US$)	16.81
Total repair cost (US$ millions)	101
Washing machines	200
Average repair cost	14.32
Total repair cost	22
Vacuum cleaners	64
Average repair cost	9.87
Total repair cost	20
Cameras	80
Average repair cost	7.76
Total repair cost	22
Clocks or watches	1,408
Average repair cost	4.92
Total repair cost	268
Sewing machines	184
Average repair cost	7.68
Total repair cost	11

Source: Heinemeier, Meredith, 1977 Consumption by Industrial Sector in the U.S.S.R., *Center for International Research, U.S. Bureau of the Census, 1986, pp. 46–47.*

machine, and 38 percent owned a television set. There were 25 people for every passenger car in 1984. More free market activities are likely to make those and other goods easier to get, but most Soviets fear steep price increases will accompany change.

EVERY SECOND COUNTS

Wherever you come from, there are never enough hours in a day. The first U.S.-U.S.S.R. joint time-use study, run by the Soviet Academy of Sciences and the University of Maryland, illustrated the truth of that universal complaint when researchers asked residents of Pskov, Russia, and of Jackson, Michigan, how they spend a typical day.

Soviet men and women spend more time on the job than do Americans, according to preliminary results. Soviets spend less time socializing away from work than Americans—they spend 22 minutes a day having fun with friends, while Americans spend 65 minutes. Reading is much more common in the Soviet city than in the American city. Pskov residents spend 42 minutes a day reading, while Jackson residents spend 27 minutes. Not surprisingly, Americans watch more television.

But where do you go for a good time in Pskov? Not where you go in Jackson. Jacksonites rate eating out as their favorite activity; people in Pskov give circus watching the highest marks. Other favorite activities in Pskov include going to the library, to the movies, and to museums and discos.

By Western standards, Soviet women have it rough. Lacking household conveniences, those tireless comrades put in 39 hours a week at their jobs and about 10 hours a week on family chores. Jackson women average 24 hours a week at work, since fewer women are employed outside the home. Women in Pskov spend 140 minutes each day cooking, washing clothes, and taking care of kids. Jackson women spend only 95 minutes a day on those activities.

PRECIOUS TIME

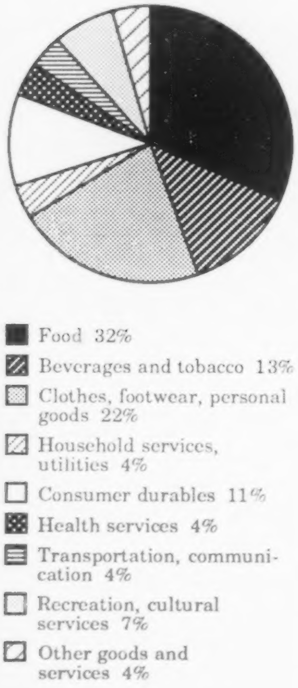
Soviets have fewer minutes each day to spare on activities like watching television.
(Free time spent on various activities in the U.S.S.R. and U.S.A., in minutes per day, 1987; 24 hours = 1440 minutes)

Activity	*Pskov, Russia (U.S.S.R.)*	*Jackson, Michigan (U.S.A.)*
Sleeping and resting	497 min.	474 min.
Watching television	109	149
Grooming	55	71
Food preparation	50	34
Eating	48	61
Driving and travel (not work-related)	44	59
Reading	42	27
Cleaning house	27	43
Child care	27	17
Other entertainment	25	18
Shopping	21	29
Laundry	20	11
Other housekeeping	17	24
Total	**982**	**1017**

Source: Soviet-American Use of Time Project, *joint study by the Survey Research Center of the University of Maryland and the Institute for Sociological Research of the Soviet Academy of Sciences. American project director: John P. Robinson; Soviet project directors: Vassily Patruchev and Vladimir Andreyenkov; previewed in* The Washington Post National Weekly Edition, *11/16/87, p. 37.*

EATING RUBLES

Soviets spend almost half their budget on food and drink.
(Percent of total expenditure by commodity, U.S.S.R., 1980)



Source: U.S. Congress Joint Economic Committee, in European Marketing Data and Statistics 1986/87, *Euromonitor Publications, p. 285.*

LET'S MAKE A DEAL

Although all things Western may be the rage for Soviet consumers, Gorbachev's agenda will make some products more likely candidates for trade than others. Clearly, labor-saving devices and basic computer technology offer a host of applications for sluggish Soviet industries. Personal computers, reliable machinery, and even robots can help with labor shortages.

Health care products, from stethoscopes to tampons, are in great demand. Given the official desire to make preventive care a reality for the majority of Soviet citizens, imports of all kinds of medical technology should increase. Imports of entertainment and leisure products are proceeding on a limited basis as well. In the past, Soviets have shown a voracious appetite for Western movies, jazz, literature, and art.

Glasnost and *perestroika* may have won the minds of many intellectuals who crave access to culture, but winning the hearts of workers may be a bloodier fight. It will take "more than promises, more than the brave rhetoric of change" for Gorbachev to convince the working population that reform is in its best interest, notes Dimitri Simes. Patience will be the Soviet Union's most valuable resource. And it will serve American exporters well, too.

SOURCES

Demographic information on the Soviet Union is hard to find. The most comprehensive data come from the Center for International Research at the U.S. Bureau of the Census. Soviet specialist W. Ward Kingkade analyzes the current demographic situation in "Demographic Trends in the Soviet Union," part of a compen-

(continued on p. 13)

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*(**Lifestyles**, continued from p. 1)*

ceive more money for breast-feeding. French women receive a bonus only if they make three prenatal visits to a physician.

Parental leave is not feared by European employers as it is by many American companies. The length of maternity leave varies from six weeks to six months, but nearly every country pays 80 to 100 percent of a woman's salary during her time away from the job. Greece, Ireland, the Netherlands, and Switzerland provide the shortest paid leave—fewer than 13 weeks. Italy, Sweden, Luxembourg, and Eastern European countries provide the longest leave at full pay—between 20 and 40 weeks. Paternity leave is granted to fathers in Norway (up to 12 weeks) and in West Germany.

And for those parents who want to see little Henri speak his first word, take his first step, or throw his first temper tantrum, unpaid leave is an additional option. France and West Germany are especially lenient in that regard, offering parents from one year to three years off with job security.

Idiosyncratic aspects of European maternity programs include laws that prohibit pregnant women from working at night in Belgium, West Germany, the Netherlands, and Switzerland and that require nursing breaks for French or Norwegian working women. In the Netherlands aides called "maternity helpers" spend about eight hours a day cooking, shopping, housekeeping, and caring for a newborn child during the first two weeks after delivery.

Most countries even offer a "family allowance" that is paid to the economically active parent while a child goes to school. France and Sweden encourage more births by withholding those allowances until the birth of a second or third child. The Polish allowance supports families that fall below a minimum income level.

—Blayne Cutler

Canadian Consumer Outlook

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DISCOVER TIANJIN, PEOPLE'S REPUBLIC OF CHINA

China's third largest city gives exporters access to the north.

NORTHERN RETAIL CENTER

Tianjin rivals Beijing as northern China's most prosperous retail center.

(Demographic and economic data for Tianjin, 1985)

Population size	
municipality	8,080,000
urban share	5,650,000
Industrial enterprises	
municipality	4,649
urban share	3,764
Industrial output from consumer goods (in US$ billion)	
municipality	3.84
urban share	3.74
Retail trade units	
municipality	38,775
urban share	26,443
Retail sales (in US$ billion)	
municipality	1.53
urban share	1.29
Service trade units	
municipality	12,946
urban share	10,036

Source: Population data are from State Statistical Bureau, Chinese Statistics Yearbook, 1986, *State Statistical Publishing House, 1986, p. 93. Other data are from State Statistical Bureau,* 1985 City Yearbook of China, *State Statistical Publishing House, 1985 (in Chinese), pp. 75, 83, 286, 301, 309, 467.*

Tianjin occupies a strategic location in contemporary China, with the Bohai coast to the east, and Beijing about 140 kilometers to the northwest. As the nation's third-largest city,Tianjin (formerly Tientsin) is often overlooked by Westerners, who are familiar with Shanghai, Beijing, Guangzhou (Canton), or Nanjing. Yet with a population of over 8 million inhabitants—almost 70 percent of them urban*—Tianjin is one of the most accessible cities in the world's most populous country.

In 1982 Tianjin produced almost 4 percent of China's gross industrial output, ranking second only to Shanghai in industrial output per person. Tianjin rivals Beijing as a key center of higher education and as a growing hotspot for marine-chemical, textile, and petrochemical industries.

Twenty-nine colleges and 148 research institutes are situated in the city, as are about 4,000 industrial enterprises. In addition, government officials designated Tianjin a "coastal city" in 1984 and gave the city special priority in 1985 as a site for joint-venture operations. More than 100 joint-venture contracts have already been signed between the Tianjin municipality and companies such as SmithKline Beckman (pharmaceuticals) and Otis Elevator Corporation.

Tianjin is one of three municipalities directly administered by the central Chinese government. Beijing, Shanghai, and Tianjin have the status, responsibilities, and powers of a province. That gives Tianjin officials the freedom to negotiate directly with foreign firms and investors and to approve international economic agreements for deals up to US$30 million.

Tianjin's population has grown rapidly since the Chinese Communists assumed control of the country in 1949. The number of urban residents in the city increased from just over 2.5 million in the early 1950s to more than 5.5 million at the end of 1985.

During the early 1980s the birth rate in Tianjin was relatively high, even though about 94 percent of all births were first births. This high first birth rate is explained by the fact that the official minimum marriage age was lowered in 1981 and that large numbers of people are reaching childbearing age. Future birth rates, however, are expected to be low, since the marriage effect is tapering off, and the number of people of child-bearing age will eventually decline.

Tianjin's artificial harbor, Xingang (New Harbor), is on the Bohai coast, about 50 kilometers from the city proper, in the city's Tanggu District. The port is the largest in China for foreign trade, and it is second only to Shanghai in cargo-handling capacity. Freight volume at Xingang exceeds 10 million tons, and 25 berths serve cargo ships and international transshipments.

Tianjin is also one of the hubs of the national railway network. The major line that connects Beijing with northeastern China (still known to many foreigners as Manchuria) runs through Tianjin, as does the most efficient railway line in the country, the one from Beijing to Shanghai.

The city is further connected to the outside world through one of China's more advanced telephone networks. British Telecom is helping the city install nearly 200,000 telephone lines capable of direct dialing to Hong Kong and other cities. Telegram and telex services also link the city to more than 20 provinces and municipalities.

China's plans for the future of Tianjin figure prominently in the national economic restructuring that began with Deng Xiaoping's modernization campaign in 1979. The country's Seventh Five Year Plan (1986–90) is directed in part toward increasing production and promoting exportable goods, maintaining full employment, and accelerating the construction of housing and other public facilities in Tianjin. Chinese leaders currently are planning to accelerate the development of Tanggu (Tianjin's satellite port city), which will lead to a Tianjin-Tanggu corridor. Developers are also working toward creating a regional triangle that will link the three cities of Tianjin, Beijing, and Tangshan (in southern Hebei Province).

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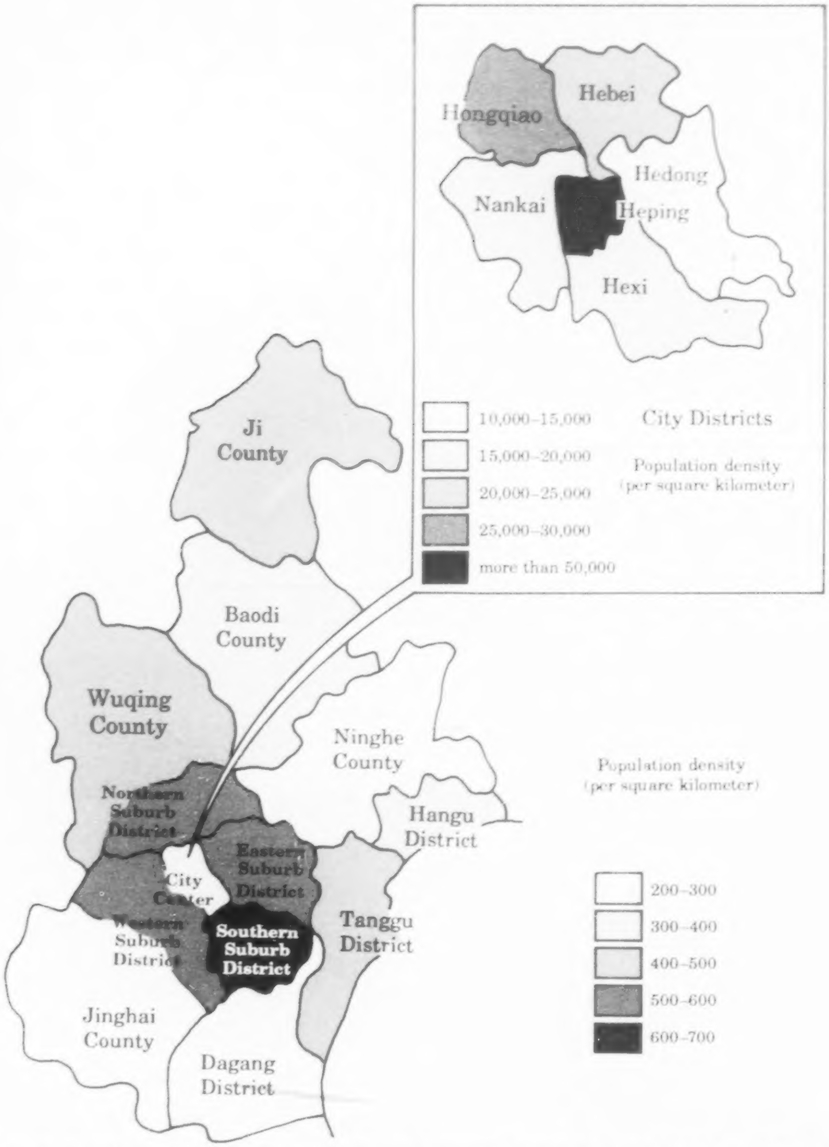
* *Unlike cities in the West, Chinese cities, by definition, include the actual cities and surrounding urban and rural areas that are economically linked to the city. "City" is equivalent to the term "metropolitan area" in the U.S.*

—Dudley L. Poston, Jr.
Professor of Sociology
University of Texas

WHERE TIANJIN RESIDENTS LIVE

The Tianjin People's Municipal Government comprises the city center (situated in the south-central part of the municipality), four central urban districts, three urban coastal districts (including the port district of Tanggu), and five rural counties.

(Population per square kilometer for districts and counties of Tianjin Municipality, 1983)


Hongqiao
Hebei
Hedong
Nankai
Heping
Hexi
10,000–15,000
15,000–20,000
20,000–25,000
25,000–30,000
more than 50,000
City Districts
Population density (per square kilometer)
Ji County
Baodi County
Wuqing County
Ninghe County
Hangu District
Northern Suburb District
Eastern Suburb District
City Center
Western Suburb District
Southern Suburb District
Tanggu District
Jinghai County
Dagang District
Population density (per square kilometer)
200–300
300–400
400–500
500–600
600–700

Source: Wilmoth, D. and Forbes, D., "Opportunities for Urban Planning in Tianjin, China," delivered at the International Conference on Urbanization and Urban Population Problems, Tianjin, China, 26–30, 1987, p. 7.

SPREAD THIN

People in Tianjin make every yuan count.

(Per capita total living expenditure, in dollars, and share, in percent, Tianjin, 1983)

	Expenditure (US$)	*Share (%)*
Total	170.31	100.0%
Food	83.03	48.8
Housing	30.57	18.0
Clothes	21.46	12.6
Articles for daily use	20.84	12.2
Fuel	6.51	3.8
Culture and services	3.32	1.9
Other articles	2.55	1.5
Medicine, medical articles	1.91	1.1
Reading materials	.13	.1

Source: State Statistical Bureau, Statistical Yearbook of China, *1984, in Taylor, J. and Hardee, K.,* Consumer Demand: A Statistical Factbook, *Center for International Research and International Statistical Programs Center, U.S. Bureau of the Census, pp. 156–161.*

PHONES THAT SEE, HEAR, AND CALCULATE

Reach out and touch someone? Forget it. Soon you'll be able to read their minds long distance. Well, almost.

PRODUCT COMPARISON

The marriage of telephones and computers is resulting in the digitizing of telecommunications networks in the United States, Europe, and Japan. Such a transformation represents the greatest innovation in communications technology since the cup against the wall was upgraded to the telephone a century ago. Companies that don't take advantage of these split-second global links will become as outdated as the crank phone at the corner grocery.

In the past, whenever someone dialed a telephone, the call went through a telephone exchange—a large network of electromechanical "switches." The switch processed the number dialed and directed it to the corresponding line. One ring, bleep, beep, or blip and you were chatting with Aunt Eunice in Peoria.

So how is that changing? Through digitizing, those analog signals are converted into binary digits, a process that will enable Alexander Graham Bell's brainchild and Steven Jobs's brainchild to merge: Telephones will soon have computer capabilities even for home use. Banking, shopping, letter writing, and visiting will all be done through a receiver and a screen.

Most of the wealthy nations of the world will be digitized by the early 1990s. France has a jump on everybody in the digital-switch revolution. Currently 50 percent of France's local exchanges and 60 percent of its long-distance exchanges are digital. By 1990, 70 percent of 27 million French subscribers will be serviced by digital transmission. But other nations in the European Economic Community (EEC) lag behind. Britain, recovering from manufacturing setbacks of the 1970s, is moving sluggishly. Of the 20 million subscribers in 1990, 42 percent will receive local digitized service. West Germany also has been slow to convert: Less than one quarter of its long-distance service will be digitized in the next two years.

Poorer European nations, such as Ireland, Greece, and Portugal, await nearly $700 million in investment funds from the EEC to modernize their telecommunication networks. The EEC hopes to achieve a common telecommunication standard by 1993. Its long-range goal emphasizes the creation of an integrated European market capable of competing with the U.S. and

THE FUTURE OF DIGITAL TELECOMMUNICATIONS

OECD countries will try to surpass France's lead in the digitization race by 1990. (Number, in millions, and percentage of European subscribers to digital telecommunications, and percentage of digitized local and long-distance switching, by 1990)

Country	Subscribers: main lines (millions)	Transmission digitized (percent)	Local switching digitized (percent)	Long-distance switching digitized (percent)
Belgium	4.0	50%	29%	75%
Denmark	3.0	85	23	40
France	27.0	70	70	75
Greece	4.5	15	15	25
Ireland	1.2	70	65	85
Italy	21.7	45	25	36
Luxembourg	0.2	35	8	10
Netherlands	6.3	95	35	15
Portugal	19.5	70	20	30
Spain	12.2	47	5	45
United Kingdom	20.0	100	42	90
West Germany	28.6	50	3	22

Source: European Conference of Postal and Telecommunications Administration (CEPT) and Commission of the European Community, in "Reforming Telecommunications Policy in OECD Countries," OECD Observer, *Oct./Nov. 1987, p. 20.*

Japan. Fewer than one-third of all exchanges in the U.S. are digital. In Japan 15 percent of local exchanges and 40 percent of long distance exchanges have been converted.

Third world nations, scrambling for the most basic telecommunication services, might benefit from getting a late start in the digital race. When digital communications finally arrive in poorer countries, they will provide direct access to a world of information networks that might speed technology transfer without the costly drain of research and development.

For the average telephone customer, the immediate advantages of digital communications are clearer lines, itemized bills (a luxury outside of the U.S.), improved automatic transfer of calls, and paging services. The long-term benefits *should be* cheaper, more efficient service. But initial investments, including the replacement of copper wire with fiber optics, will keep telephone rates high for some time.

As if those telecommunication breakthroughs are not mind-boggling enough, scientists and engineers are working on integrating the whole lot of digital telecommunication services into one gargantuan circuit: the Integrated Services Digital Network (ISDN).

In the simplest of terms, ISDN is a public communication network capable of carrying a variety of data services (fax machines, telexes, videotexes, telewriters, databases, etc.), including voice, *simultaneously* over the same line without any interference. Private companies can already get services linked like this through leased lines and networks called multiplexers. But ISDN offers something more universal: an attempt to establish a world telecommunication standard.

Customers will be able to get information immediately, regardless of how or where it is kept. In other words, ISDN will be to telecommunication equipment what alternating current is to the desk lamp, toaster, or TV set. As a "universal plug" ISDN offers the possibility of an efficient global marketplace, where information transfer is as easy as calling your next door neighbor. ISDN will be making cameo appearances next year in the U.S., Japan, France, Britain, and West Germany. If successful, it could be in full swing as early as 1990.

—*Franklyn Crawford*

INTERNATIONAL DEMO MEMO

Total number of cinemas and theaters:

Tianjin, People's Republic of China (pop. 5.5 million)	75
Chicago, Illinois, United States (pop. 3.0 million)	173

Note: Population figures are for 1985.
Sources: Statistical Abstract of the United States 1987; China Urban Statistics 1985.

***(U.S.S.R. profile,** continued from p. 9)*

dium called *Gorbachev's Economic Plans.* It is available from the Superintendent of Documents, Congressional Sales Office, U.S. Government Printing Office, Washington, DC 20402. Another source of information is the Population Reference Bureau's *Population Bulletin,* volume 37, number 3, available from the bureau, 777 14th Street NW, Suite 800, Washington, DC 20005. Information about the Soviet-American Use of Time Project conducted by the Soviet Academy of Sciences and the University of Maryland is available from Professor John P. Robinson, Survey Research Center, 1103 Art-Sociology Building, University of Maryland, College Park, MD 20742-1321.

—*Blayne Cutler*

Japan's New Consumers

You can find out more about Japanese lifestyles, attitudes, demographic characteristics, spending patterns, and buying behavior in **Japan's New Consumers,** *a new two-part special report written by experts from the Center for International Research of the U.S. Census Bureau and the editors of* Consumer Markets Abroad.

A hardbound book with over 100 charts, graphs, and tables, **Japan's New Consumers** *clearly describes how and why the Japanese spend their earnings on consumer goods and services.*

Japan's New Consumers *also looks at the Japanese business climate, which is characterized by heated competition among manufacturers who produce high-quality, low-priced goods for consumers who have been described as the "fussiest" in the world. You will learn exclusive details of what the Japanese look for in terms of design, service, personal contact, packaging, and credit, and their attitudes toward imports.*

To order **Japan's New Consumers,** *fill out and return the card in this issue or call 1-800-828-1133 for faster service. Be sure to have your credit card handy.*

REGIONS: CONSUMER TRENDS AROUND THE WORLD

Too much apple pie and Chevrolet. Fully 58 percent of Canadian television viewers say that the American media have "too great an influence on the Canadian way of life," according to *The Media Study,* a two-volume report by Environics Research Group.

American dominance of other Canadian media, however, is not as great. Fewer than half complain of American bombardment in magazines or radio, while only 29 percent acknowledge the problem in their daily newspapers.

NORTH AMERICA

But news coverage is "Yankee-fied," since two-thirds of all Canadians get their national and international information from the tube. Only 20 percent of Canadians read the newspaper to understand world affairs. They use newspapers most often, however, to find out about products or services.

For more information on Canadian media preferences write Environics Research Group, 45 Charles Street East, Toronto, Canada M4Y 1S2, or call (416) 964-1397.

Looking to hire Canadian workers? Help-wanted ads may be your best bet. Statistics Canada reports that job ads became more popular between 1977 and 1986, while employment agencies became less popular with job seekers.

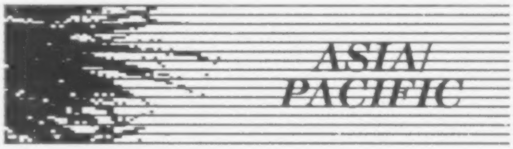
Forty percent of job seekers used public employment agencies in 1986, down 20 percentage points from 1977. Only 5 percent used private employment agencies during their job search, and women used them more frequently than men.

Directly contacting employers was the most common job-search method, according to Statistics Canada. Contacting union representatives is a common method for men, as is checking with friends and relatives.

Find out more about job-search methods in Canada by contacting the Labour and Household Surveys Analysis Division of Statistics Canada at (613) 951-4626 or write to Statistics Canada, R. H. Coats Building, Tunney's Pasture, Ottawa, Ontario, Canada K1A OT6.

For the Japanese, fulfillment means more than owning a Toyota hatchback, a Sony Walkman, and a Minolta camera: More than one-third of all Japanese report that they are "unsatisfied" with their lives, according to the 1987 Public Opinion Poll on National Life issued by the Prime Minister's Office.

Nearly half of all Japanese men in their late 30s report dissatisfaction with their lives, according to the poll. Those men, who are of prime working age, are more discontent than any other Japanese group. Women are more satisfied than men at every age up to age 70. The greatest areas of gloom involve income and savings. One-tenth of all Japanese are "extremely unsatisfied" with their present level of income, and nearly half are "rather unsatisfied." As for the size of their personal yen stock, 15 percent are "extremely unsatisfied," and 51 percent are "rather unsatisfied."



Leisure time is another rare commodity, according to 51 percent of those polled. And contrary to the popular notion of the selfless 80-hour-a-week company employee, university graduates lead the pack in choosing more free time over pay raises wherever possible.

The Japanese indicate that they are ready for spiritual rather than material pleasure. Fifty percent seek new ways to "nurture richness of the heart." For more information on Japanese happiness contact *Focus Japan Desk,* JETRO, 1221

Avenue of the Americas, New York, NY 0020; (212) 997-0400.

Look for new Indian markets in Australian and New Zealand cities. Indian professionals have immigrated from Fiji in droves since the military coup there in May 1987.

While many Indian traders have stayed on the 105 islands that make up Fiji, Indian doctors, dentists, teachers, and other professionals are seeking safety Down Under since they lost political clout in Fiji last spring.

Native Fijians, who numbered 19,000 fewer than Fiji's 350,000 Indians in the 1986 census, fought to gain control of their country from the politically dominant Indian community. While native Fijians may have felt outnumbered before the coup, they have been gaining numbers faster than any other local ethnic group. The Fijian population grew by 27 percent in the past decade while the Indian population only grew by 19 percent, according to the International Planned Parenthood Federation. Because of rapid Indian emigration from Fiji, the Fijian and Indian populations are projected to equal out in the coming year.

AUSTRALIA

PUBLICATIONS

SEEING IS BELIEVING: CHINA'S TRICKY TRADE ON FILM

The **China Business Briefing,** a Business Week Executive Video produced by Hawkshead Communications, written by Bob and Sally Garratt, Business Week Management Group, 1221 Avenue of the Americas, New York, NY 10020, 75 minutes, $795.

Since the days of the ancient Silk Route, marketers have been fantasizing about China. Their fantasy goes something like this: If I could sell just one pair of socks to every Chinese, I'd not only keep 2 billion feet warm but I could also retire forever. Through the tales of seasoned China traders, Business Week Executive Video's *The China Business Briefing* seeks to eradicate those and other myths for marketers whose gaze has turned longingly east.

In its two-part presentation and accompanying text, *The China Business Briefing* highlights the pitfalls (first) and the potential (second) involved in signing a contract with the People's Republic of China. That self-described "caution" is deliberate. "One cannot bring familiar Western business frames of reference to China and expect them to work without adaptation, as many have tried to do," note authors Bob and Sally Garratt. Problems such as foreign exchange shortages, transportation delays, and cultural insensitivity, they argue, will certainly arise.

The videos seek to capitalize on others' mistakes as valuable learning tools. Interviews with key players in the China divisions of five large corporations (General Electric, H.J. Heinz, Mottahedeh, NIKE, and Racal) can stun the viewer with how daunting contract setbacks can be. In the case of General Electric, a seemingly closed deal was suddenly tabled for four years because economic priorities were "reorganized" on the national level. It took seven years for the sale of G.E. locomotive engines to be approved by Chinese officials.

And seven years is not an uncommonly long time. Other frustrations include attempts by NIKE executives to convince Chinese factory managers that white sneakers were preferable to gray (the color they became from the coal-polluted Tianjin air). And upscale porcelain dealer Mottahedeh had to return products to China for

(continued on next page)

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A publication of American Demographics, Inc., a subsidiary of Dow Jones & Company, publishers of The Wall Street Journal.

(*Publications*, *continued from p. 15*)

reglazing repeatedly.

In conveying the advice that business in China actually can be profitable despite obstacles, *The China Business Briefing* succeeds. Businesspeople who contemplate overseas investment projects rarely are able to peek into the offices of competitors and ask what went wrong and why.

In making use of the video medium, however, the project falters. The introductory video includes some beautiful scenes of rural China, and viewers get a chance to see what Chinese factories look like. The video devotes too much time, however, to interviews.

The complete Business Week package costs $795. The most efficient use of the videos would be as part of a training program for prospective onsite managers or as a seminar supplement.

Spain in the 1980s: The Democratic Transition and a New International Role, edited by Robert P. Clark and Michael H. Hatzel, 1987, Ballinger Publishing Company, 54 Church St., Harvard Square, Cambridge, MA 02138-3730, $29.95.

Many global marketers still view Spain in caricatures. Images of bullfights, flamenco dancers, and brooding Moorish landscapes, although part of the Spanish culture, do little to reveal the country's unique economic vitality. *Spain in the 1980s,* a collection of specially commissioned studies from the Woodrow Wilson International Center for Scholars, provides a more realistic glimpse of life in modern Spain.

In the book, a variety of experts examine the complex political history and the skillful policy-making that have resulted in Spain's decade-long metamorphosis from a troubled authoritarian regime to a consolidated democracy—a chain of events that marketers need to understand in order to reach Spanish consumers. The book also addresses the ways in which *la transición* might affect Latin America and other third-world regions.

Bolstered by a vibrant industrial sector and a burgeoning middle class, Spain has emerged as a western-style consumer nation. But the idiosyncracies of the Spanish culture elude the common definition of "modern." *Spain in the 1980s* illuminates some of the more subtle aspects of the collective Iberian mind.

—Franklyn Crawford

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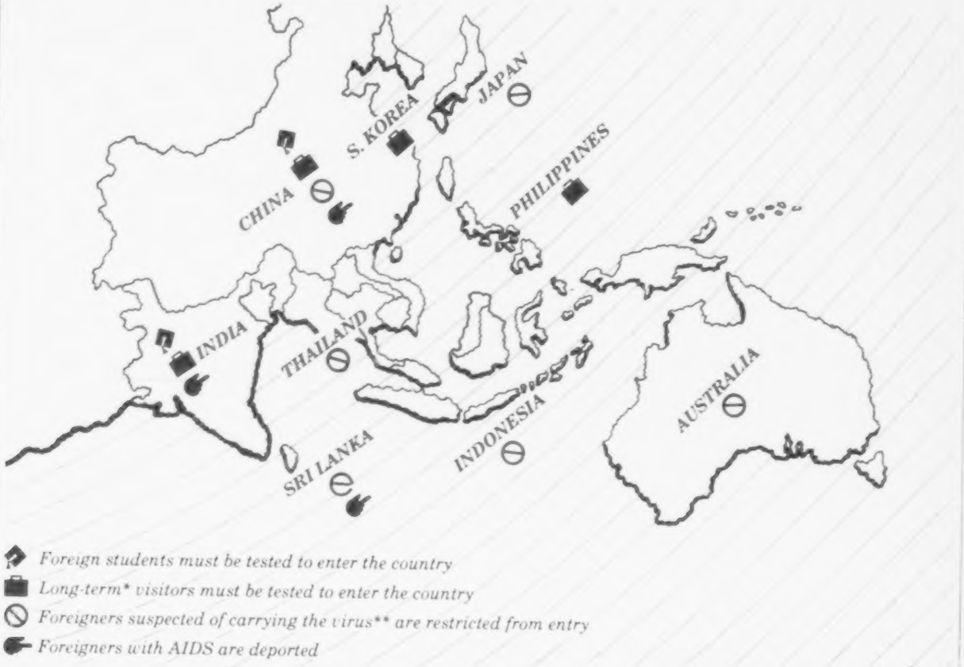
IN DEPTH/CARIBBEAN P. 2 UNDISCOVERED MARKETS/CALGARY P. 10 PRODUCT COMPARISON/SEMICONDUCTORS P. 12 REGIONS P. 14 PUBLICATIONS P. 16

BUSINESS TRAVEL IN ASIA: BLOOD TESTS REQUIRED?

HEALTH AT THE BORDER

The list of countries adding AIDS tests to the visa process is growing. (Countries requiring blood tests for long-term visitors and students, or restricting entry for people carrying the AIDS virus)


JAPAN
S. KOREA
PHILIPPINES
CHINA
INDIA
THAILAND
AUSTRALIA
INDONESIA
SRI LANKA
Foreign students must be tested to enter the country
Long-term* visitors must be tested to enter the country
Foreigners suspected of carrying the virus** are restricted from entry
Foreigners with AIDS are deported

** Long-term visitors are those people staying in a country for one year or longer.*
*** The phrase "suspected of carrying the virus" varies by country. This phrase usually applies to HIV carriers.*
Note: Distances are distorted for graphic clarity.
Sources: "AIDS and the Third World," Panos Dossier 1; Mann, Jonathan, "The Global AIDS Situation," World Health Statistics Quarterly, *vol. 40, no. 2, World Health Organization, 1987, pp. 186–87.*

Coming next month... Learn what a unified Europe means to Berliners and to you.

LIFESTYLES AROUND THE WORLD

Last July, an American living in China discovered he had *ai zi bing*—"love sickness." He was only the fourth person in China to come down with AIDS, and he was immediately airlifted out of the country. Six months earlier Japan erupted in public alarm when a Kobe woman, the first female victim, died from the disease. Japan's AIDS telephone hotlines received more than 140,000 calls in 48 hours. Today in more and more Asian countries, travelers must prove they are free of the AIDS virus, and health officials talk of blood tests in airports.

Is Asia overreacting?

The region has recorded the few-

(continued on p. 13)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 3 MARCH 1988

THE CARIBBEAN AFTER-SHOCK

Oil-dependence, debt, and falling export prices are three blights on the beautiful beaches of the Caribbean. But some islanders are succeeding in spite of these setbacks.

The Caribbean frustrates those who try to define it in simple terms. The ethnically diverse populations of the 20 nations that form what is often called the Caribbean Basin trace their roots to Africa, Europe, and Asia. Although each islander is part of the common Caribbean culture, he or she also has a distinct national identity. Five of the largest island nations in the region—the Bahamas, the Dominican Republic, Jamaica, Trinidad and Tobago, and Puerto Rico—show how different these identities can be.

Today, more people live along the 1,500-mile archipelago in the Caribbean Sea than live in Canada. Thirty million islanders (including those in Puerto Rico and the Virgin Islands) live on a land mass smaller than Wyoming. Excluding Cuba, only five Caribbean countries and two cities (Santo Domingo, the Dominican Republic; and San Juan, Puerto Rico) have more than 1 million people (see table below).

WHAT TO EXPECT

Stark contrasts already exist in the wealth of the various Caribbean islands. Trinidadian workers made nearly 20 times more than Haitian workers in 1982, for example. These gaps are likely to grow with population growth. By the middle of the next century, there will be twice as many islanders as there are today, according to the Centro Latinoamericano Demografía (CELADE). Growth will place new pressures on local la-

THE CARIBBEAN COUNT: POPULATION TO 2000

Some of the poorest Caribbean island nations have grown the fastest.

(Population of islands in thousands, 1987 and 2000; annual growth rate in percent 1975–85; and number of people per square kilometer in 1984)

Country	*Population 1987* (thousands)*	*Population 2000 (thousands)*	*Growth rate 1975–85*	*Density 1984 (per km²)*
Antigua and Barbuda	80	100	1.3	180
Bahamas	231	276	1.0	16
Barbados	270	307	0.8	585
Cuba	10,219	12,174	2.6	90
Dominica	80	96	0.8	98
Dominican Republic	6,716	9,282	2.4	125
Grenada	116	140	1.2	259
Guadeloupe	321	338	-0.2	186
Haiti	6,147	8,558	1.8	187
Jamaica	2,392	2,849	1.3	199
Martinique	313	338	-0.4	297
Montserrat	13**	16	NA	NA
Netherlands Antilles	271	324	1.2	215
Puerto Rico	3,561	4,212	1.4	368
Saint Lucia	131	158	1.4	218
Saint Vincent and the Grenadines	106**	133	1.0	252
Trinidad and Tobago	1,144	1,321	0.3	224
Virgin Islands (U.S.)	106**	131	NA	316

Note: Islands not listed include the British Virgin Islands, the Cayman Islands, and the Turks and the Caicos Islands. Their total population in 1982 was estimated at 38,000. Bermuda, which sometimes is grouped in the Caribbean, is also not listed. Its population in 1984 was 68,000.

* *The last census for most Caribbean countries was taken in 1980. Therefore, population figures are estimates by CELADE for mid-year 1987, in thousands.*

** *Population is for 1985.*

Sources: Boletín Demográfico, *Centro Latinoamericano de Demografía, Año XX, no. 39, and Año XVII, no. 34, Santiago, Chile;* The Europa Yearbook 1987: A World Survey, *Europa Publications Ltd., London, 1987, xiv. Growth rates were calculated using CELADE data.*

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bor markets and on economic resources. As a result, the less-productive islands could face declining standards of living.

Most of the growth will take place in the cities, according to CELADE, as a result both of migration and of fertility. Among the most populous Caribbean islands, Cuba and Puerto Rico will have the largest share of their populations living in metropolitan areas by 2000.

As cities dominate economic and social life, their infrastructure and service needs will grow. Public spending will most likely go toward housing, water and sewer systems, mass transit, schools, hospitals, and police and fire departments.

FIGHT OR FLIGHT

Emigration to the U.S. is an increasingly important trend, particularly in the Dominican Republic, Haiti, and Jamaica. In a number of Caribbean countries, local economies are linked with labor markets in the U.S. through complex family arrangements; many families have at least one member working on another island or in the States. The remittances they send home have become a valuable boost to family income.

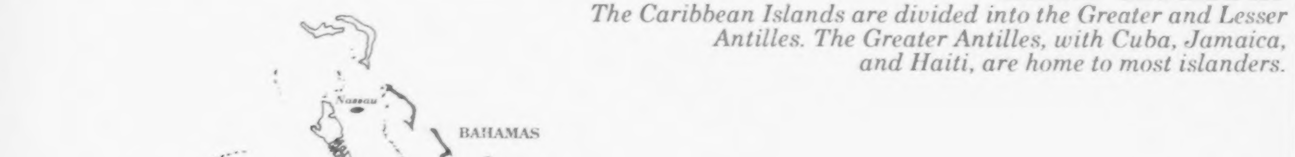
Crisis has characterized the Caribbean economies for at least a decade. Oil price hikes, escalating debt burdens, and falling export prices have hurt the region badly, especially in the late 1970s. As a result, the economic performance of Caribbean nations has been weak in the 1980s.

Double-digit inflation, rising unemployment, and sporadic growth in GNP define the era. Tourism, one of the most important industries in the islands, has been notoriously volatile.

As cities dominate economic and social life, their infrastructure and service needs will grow.

ISLAND GEOGRAPHY

The Caribbean Islands are divided into the Greater and Lesser Antilles. The Greater Antilles, with Cuba, Jamaica, and Haiti, are home to most islanders.


BAHAMAS
Nassau
Havana
CUBA
CAICOS ISLANDS
TURKS ISLANDS
ATLANTIC OCEAN
CAYMAN ISLANDS
JAMAICA
Kingston
HAITI
Port au Prince
Santo Domingo
DOMINICAN REPUBLIC
PUERTO RICO
San Juan
U.S. VIRGIN ISLANDS
BRITISH VIRGIN ISLANDS
ANGUILLA
SAINT-MARTIN
BARBUDA
SAINT KITTS-NEVIS
ANTIGUA
MONTSERRAT
GUADELOUPE
DOMINICA
MARTINIQUE
SAINT LUCIA
SAINT VINCENT
BARBADOS
GRENADA
TOBAGO
Port of Spain
TRINIDAD
ARUBA
CURAÇAO
BONAIRE
GREATER ANTILLES
LESSER ANTILLES
CARIBBEAN SEA

Source: Rand McNally Maps, Reader's Digest Atlas of the World, *The Reader's Digest Association, New York, pp. 170–71.*

The fact that this sector is largely dependent on the U.S. economy may be cause for concern as the U.S. adjusts to its own post-stock market crash environment.

In response to all of these factors, Caribbean governments have turned to international banks and multilateral agencies to finance their deficits. Creditors now monitor the debtor countries' domestic policies closely to ensure that they will pay their debts.

THE CARIBBEAN BASIN INITIATIVE

Since 1983 the Caribbean Basin Initiative, partially modeled on Puerto Rico's "Operation Bootstrap," has been the economic cornerstone of the Reagan administration's policy in the region. It provides the Caribbean nations with duty-free export entry to the U.S. market for twelve years. Manufacturing, tourism, agriculture, and foreign investment are some of the areas that have been targeted for growth under the plan.

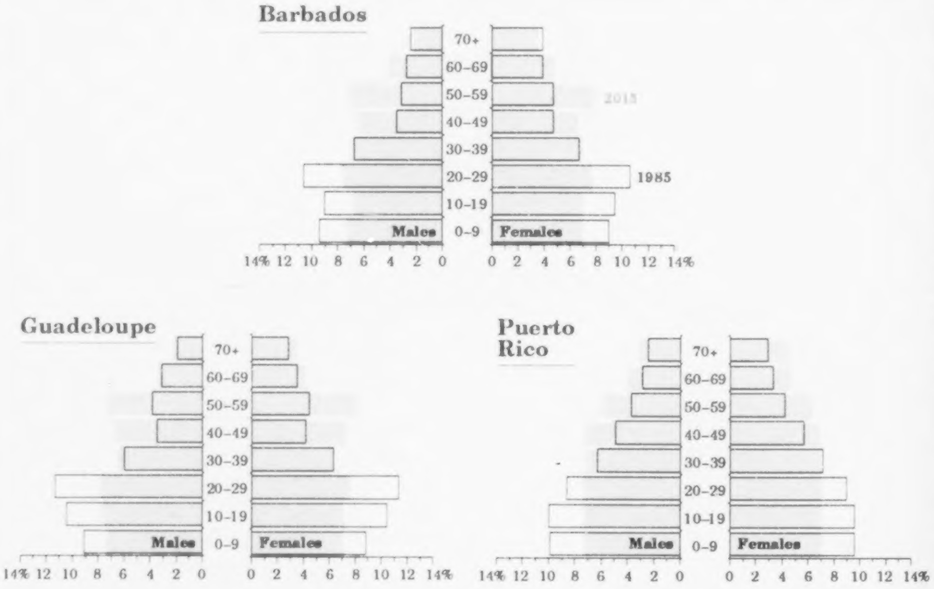
Certain conditions apply to the countries that seek duty-free access to the U.S., however. These conditions protect U.S. investments in the region, and they also protect producers in the U.S. from unfair competition. The results have been an effective subsidy to U.S. investors and little, if any, stimulus for growth in the Caribbean's locally owned businesses.

BAHAMIANS WILL HAVE MORE TO SPEND

The majority of Bahamians are descended from African slaves. Only 231,000 people live on the more than 700 islands that make up the Bahamas, whose aggregate area is the size of New England. But more than half of these islanders live in the nation's capital, Nassau.

By 2000, almost 200,000 Bahamians will live in urban areas, according to CELADE projections. The average size of a Bahamian household will decline from 4.2 to 3.4

AGE REPORT:
Young islanders dominate Caribbean populations...
(Age and sex distribution in selected Caribbean countries, in percent, 1985 and 2015)



Source: Vu, My T., World Population Projections 1985, *published for the World Bank by Johns Hopkins University Press, Baltimore, 1985, pp. 184, 202, 210, 216, 220, 262.*

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persons, while the number of households will increase to 101,000.

Literacy in the Bahamas is comparatively high. Ninety-three percent of the population can read and write. Since the labor force will grow from 90,000 today to about 150,000 by 2000, the high level of literacy should help boost productivity.

Given the growing work force, there will be fewer dependents in the Bahamas in the next decade. For every 100 workers today, 84 dependents rely on their wages. By 2000, each 100 workers will support only 53 dependents, according to Keith Edwards and Norman Graham in *The Caribbean Basin to the Year 2000.* Bahamian spending habits will change as household size falls and as the number of dependents shrinks. Officials project that average income will rise from US$3,300 in 1982 to over US$6,000 by the end of the 1990s. Edwards and Graham project that by then 65 percent of Bahamians will have incomes of over $5,000.

Tourism dominates the domestic GNP and employs 66 percent of the labor force. More than 1 million tourists visit the Bahamas each year. Banking services and oil refining are also important industries. Major exports include petrochemical products, pharmaceuticals, rum, and steel.

The Bahamas have become an important center for Eurodollar transactions. The fact that the Bahamas does not tax corporate income, capital gains, or individual income has produced rapid growth in the financial-services sector. More than 300 banks, plus numerous benefit and pension programs, insurance companies, and mutual funds operate in the islands.

DOWN AND OUT IN THE DOMINICAN REPUBLIC

Rapid rural-to-urban migration in the Dominican Republic over the past decade has put half of the nation's people in urban areas. Much of the country, the second largest in the

URBAN ISLANDERS

Cuba, Puerto Rico, and Martinique will have the most city dwellers by 2000.

(Percentage of residents living in urban areas, 1985 and 2000)

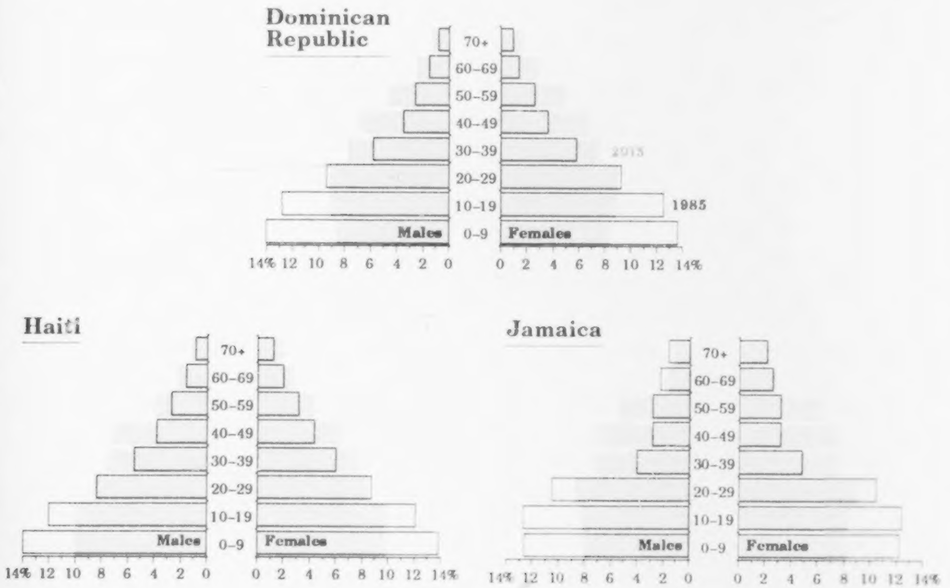
Country	*1985*	*2000*
Antigua and Barbuda	31%	39%
Bahamas	58	65
Barbados	42	51
Cuba	72	80
Dominican Republic	56	68
Guadeloupe	46	55
Haiti	27	37
Jamaica	54	64
Martinique	71	79
Montserrat	12	16
Netherlands Antilles*	53	61
Puerto Rico	71	79
Trinidad and Tobago	64	75
Virgin Islands (U.S.)	47	64

* *The Netherlands Antilles include Aruba, Curaçao, Bonaire, Saint-Martin, Saint Eustatius, and Saba.*

Source: United Nations, The Prospects of World Urbanization, *revised as of 1984–85, United Nations Publications, table A-1.*

FOUNTAINS OF YOUTH

...the Dominican Republic, Haiti, and Jamaica are the youngest islands.

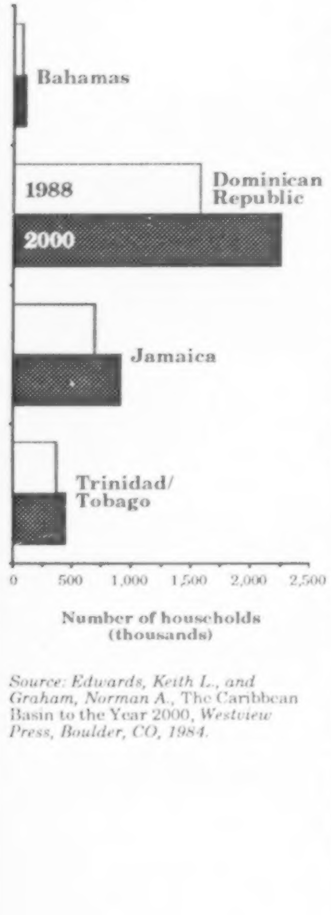


Source: Ibid.

TROPICAL HOUSEHOLDS

The Dominican Republic will gain the most households in the region.

(Number of households, 1988 and 2000, in thousands)



Source: Edwards, Keith L., and Graham, Norman A., The Caribbean Basin to the Year 2000, *Westview Press, Boulder, CO, 1984.*

Caribbean, is forested, and the population is concentrated either on the southeastern plain, known for plantations and cattle farms, or in the north, producer of cocoa, coffee, and other foods.

Nearly half the labor force work in agriculture, and 20 percent work in manufacturing. Recently, however, the economy has not grown enough to prevent rising unemployment. Almost one-third of the Dominican Republic's workers are unemployed, and about as many are underemployed. Setbacks in agricultural exports forced many workers to emigrate to the U.S.

Of all the Caribbean countries, only Haiti has greater poverty than the Dominican Republic. Unlike wealthier Caribbean nations, infant mortality in the Dominican Republic is high, and life expectancy—at 63 years—is relatively short. Fertility patterns match those of Central American countries more than those of island neighbors, and literacy ranks lower than the Bahamas at 77 percent.

By 2000 more than 6 million people will live in the nation's cities. The number of households will grow from about 1.3 million to 2.3 million, but their average size will decline slightly, from about 5 persons to 4 persons. The labor force will grow from just below 2 million to nearly 3 million, according to Edwards and Graham.

Workers in the Dominican Republic, who now make, on average, slightly more than US$1,000 annually, will not see large salary gains in the coming years. Only 5 percent of all workers made more than $5,000 in 1982. Ten percent of workers will make more than $5,000 by 2000.

Tourism has been the only star in the Dominican Republic's recent economic history. It is now the largest source of foreign exchange. Officials are using World Bank loans to decentralize tourist facilities, which currently are concentrated near Santo Domingo.

THE JAMAICAN MELTING POT

Jamaicans are a mix of African, European, and Asian ethnicities. Even so, three-fourths of the nation's 2 million people have African ancestors. The history of British colonial rule has left a mark on local institutions, customs, and, of course, language.

The island nation has experienced political strife since the mid-1970s. As the violence intensified, tourism suffered and a large share of the professional, educated class left the country.

Rapid population growth, high urbanization, and crowding (except in the mountainous interior region) contribute to high unemployment in Jamaica, though the labor force is relatively educated (86 percent liter-

WHO'S IN SCHOOL?

School enrollments at every age have grown in the past twenty years.

(Enrollment as a percentage of population in specified age groups, 1985 and 1965)

	Ages 6 to 11		*Ages 12 to 17*		*Ages 18 to 23*	
Country	*1985*	*1965*	*1985*	*1965*	*1985*	*1965*
Barbados	100%	99%	70%	64%	10%	5%
Cuba	100	86	86	55	33	9
Dominican Republic	86	60	70	39	25	6
Haiti	44	36	25	18	5	2
Jamaica	98	89	74	66	13	4
Trinidad and Tobago	81	76	53	57	8	6

Source: Statistical Yearbook for Latin America, *1984 edition, Economic Commission for Latin America and the Caribbean, 1985, pp. 130–33.*

ate). Traditionally strong government services—accounting for almost 20 percent of the GNP—reduce the impact of low wages and joblessness through compulsory schooling, public housing, and pension and health programs.

Jamaica's average household size of 3.6 persons is expected to decline to 3.1 by 1999, according to Edwards and Graham. But the birth rate remains high, and the country's population has been growing by 1.3 percent annually.

Income and wealth are highly concentrated in Jamaica. Nearly three-fourths of all income is earned by the top 30 percent of households. In 1982 about 5 percent of the population earned an income above US$5,000; by 2000 that figure will rise to 12 percent.

Unfortunately, like the economies of other Caribbean island nations, the Jamaican economy is vulnerable to international events. Trade and deficits are haunting the island, which ~~is~~ heavily in debt.

One-third of employed Jamaicans work in agriculture, but that sector only accounts for 8 percent of the gross domestic product (GDP). Sugar has become less important as an export, and cocoa and cattle have become more important.

Bauxite dominates the mining industry, which accounts for 6 percent of the GDP. Recent incentives linked to the Caribbean Basin Initiative make new investments in bauxite likely. But changing material needs may reduce future purchases of bauxite by the U.S., which is the major market for the product.

The government's current pursuit of foreign investment includes incentives that are almost identical to those offered in the Dominican Republic. Repatriation, tax holidays, import-duty exemptions, and subsidies for factory construction are the most recent attempts at revitalization. Two "free zones" in Kingston and Montego Bay provide additional subsidies for investors.

ENERGIZING TRINIDAD AND TOBAGO

Of all the Caribbean islands, Trinidad and Tobago, situated just off the coast of Venezuela, are the most prosperous (excluding Puerto Rico). Forty-three percent of the dominion's 1.2 million people—who are predominantly English-speaking—are African, and 40 percent are East Indian. A large share of the adult population works, and average household size is small (3.5 persons) by Caribbean standards.

Income and wealth are highly concentrated in Jamaica. Nearly three-fourths of all income is earned by the top 30 percent of households.

WHERE INCOME WILL GROW

Political stability will continue to affect income growth in the region.
(Per capita income in 1980 U.S. dollars and percent who earn more than $5,000 per year, 1982 and 2000)

	Per capita income		Percent who earn $5,000 or more	
Country	1982	2000	1982	2000
Bahamas	$3,297	$6,102	17%	65%
Barbados	2,795	5,698	13	47
Dominican Republic	1,016	1,774	5	10
Grenada	676	1,087	4	5
Haiti	233	370	2	3
Jamaica	986	1,933	5	12
Trinidad and Tobago	4,434	10,618	26	72

Source: Edwards, Keith L., and Graham, Norman A., The Caribbean Basin to the Year 2000, *Westview Press, Boulder, CO, 1984, pp. 5–6.*

Trinidad's small urban population is highly concentrated in the northwestern part of the island, around Port-of-Spain (population 350,000). Nine out of ten people can read and write, and life expectancy is on the increase. In the next decade, household size should decline slightly.

Oil reserves have spared Trinidad and Tobago from the economic crises that have plagued the dominion's Caribbean neighbors. As a result of rapid economic growth in the late 1970s, people in the dominion have the highest per capita income in the region. Economic growth has shifted workers from agriculture into the construction, mining, and commerce sectors, which now employ 66 percent of the work force. Twenty percent of Trinidad and Tobago's workers, however, still can't find jobs.

Petroleum and gas are the core of the economy. They account for 88 percent of exports and 50 percent of the GDP. Petroleum price increases in the 1970s offset the decline in agricultural production, which now accounts for only 2.5 percent of the GDP. By 1983, the country imported more than US$400 million in food. Tourism remains strong; almost a quarter of a million tourists visit the dominion each year.

Foreign investment is officially encouraged by the government of Trinidad and Tobago, but some industries are protected, such as public utilities, the media, banks, furniture manufacturers, and boat builders. Repatriation of profits and capital is controlled by the Central Bank and varies by economic activity.

HOW PUERTO RICO FITS IN

Officially a "self-governing commonwealth" in union with the U.S., Puerto Rico plays an important role in the Caribbean region. The island serves as a vital link between North and South America, and as a bridge between cultural differences.

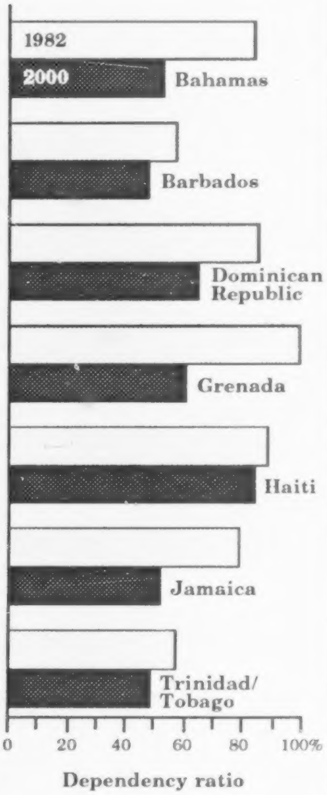
More than 3 million people live on Puerto Rico, the smallest of the Greater Antilles, making it one of the most densely populated islands in the Caribbean. Nearly three-quarters of all Puerto Ricans are urbanites—more than 1 million people live in the extended metropolitan area of San Juan alone.

Puerto Ricans are descendants of Spaniards, Africans, aboriginal Indians, Europeans, and North Americans. Many enjoy relatively high incomes, although their incomes are lower, on average, than those in the continental U.S. Since one-third of the country's budget now goes to education, 90 percent of the people are literate.

TOWARD INDEPENDENCE

On most islands, workers will support fewer dependents by 2000.

(Dependency ratios in the Caribbean, 1982 and 2000)*



** The dependency ratio is the number of persons aged 0 to 14 and 65 and over per 100 persons aged 15 to 64.*

Source: Edwards, Keith L., and Graham, Norman A., The Caribbean Basin to the Year 2000, *Westview Press, Boulder, CO, 1984, p. 4.*

ISLAND LABOR

A large, literate labor force will be the key to growth for many islands.

(Labor-force size of selected countries, 1982 and 2000)

Country	*1982*	*2000*
Bahamas	89,700	147,800
Barbados	100,200	124,100
Dominican Republic	1,713,300	2,920,600
Grenada	29,833	54,480
Haiti	2,427,000	3,925,400
Jamaica	788,400	1,202,800
Trinidad and Tobago	475,000	626,300

Source: Edwards, Keith L., and Graham, Norman A., The Caribbean Basin to the Year 2000, *Westview Press, Boulder, CO, 1984, p. 4.*

Puerto Ricans live longer than their Caribbean neighbors. An average Puerto Rican could expect to live 73 years in the mid-1980s. The Puerto Rican population is growing twice as fast as the population of the continental U.S.

Puerto Rico's 912,000-person labor force includes many skilled and semiskilled workers. Nearly 25 percent work in public administration, and 20 percent work in manufacturing, wholesaling and retailing, and service industries. A small fraction of Puerto Ricans work in agriculture, construction, and finance.

During the postwar era a steady stream of Puerto Ricans migrated north, because they could not find jobs on the island. Today, about 1.5 million Puerto Ricans live in the continental U.S., but unemployment in Puerto Rico remains high (23 percent).

Puerto Rico has become the primary trade center in the region. San Juan, the capital, is one of the world's ten busiest container ports. Puerto Rico has the Caribbean's busiest airport, serving millions of passengers annually and offering direct flights to 20 U.S. cities.

More than 1,000 U.S. companies operate in Puerto Rico free of United States taxes. Recent industrial development strategies emphasize twin-plant production, in which primary factories in Puerto Rico are complemented by raw-material production and assembly plants in other Caribbean islands. This strategy allows companies to take advantage of the skilled labor force in Puerto Rico and lower labor costs elsewhere in the Caribbean region.

THE SMALLER ISLANDS

The Leeward and Windward islands form the Lesser Antilles group, which are off the coast of Venezuela. Many of these islands are still British, French, or Dutch colonies. They include Guadeloupe, Martinique, and the Netherlands Antilles.

These small islands are sparsely populated. Their relative isolation, low rainfall, and poor soil have inhibited their economic development. Many have remained dependent on colonial states and international aid. Falling export prices for goods such as sugar, bananas, coffee, and minerals aggravate their vulnerability.

Nevertheless, the ongoing expansion of fishing, off-shore banking, other financial services, and tourism is providing new resources on many islands.

—William L. Canak, PhD.
Danilo Levy
Department of Sociology
Tulane University

The Puerto Rican population is growing twice as fast as the population of the continental U.S.

PARADISE PAYS OFF

Tourism is still the mainstay of many Caribbean economies.
(Selected tourist statistics for Caribbean island nations, 1983–85)

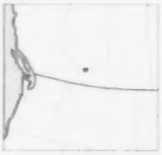
Country	*Tourist arrivals (1985)*	*Growth in tourist arrivals (1984–85)*	*Average length of stay* (days)*	*Number of rooms (1983)*
Antigua and Barbuda	139,570	8.1%	7	1,610
Bahamas	1,368,320	7.0	7	13,025
Barbados	359,135	-2.3	6	7,157
Dominica	20,433	-8.2	3	343
Dominican Republic	443,324	8.6	3	4,305
Jamaica	571,713	-5.3	10	11,015
Saint Lucia	96,649	8.7	9	3,421

** Latest available year during the period 1982 to 1985.*
Source: Statistical Bulletin of the O.A.S., *vol. 8, no. 3–4, General Secretariat of the Organization of American States, Washington, DC, July–December 1986, pp. 88–97.*

UNDISCOVERED MARKETS

DISCOVER CALGARY, ALBERTA

Think again before you pack up your Olympic souvenirs. There are business opportunities in Calgary.



Those who traveled to Calgary for the Winter Olympics in February may want to take a second look at the city with more than just a tourist's eye. This migrants' town has gone from the Wild West of Canada to a young, booming center for energy and scientific exploration. While the economy has not grown smoothly, it is now recovering from the brutal oil slump of the early 1980s.

From 1971 to 1986 Calgary gained 270,000 people. Eastern Canadians migrated to Alberta's second largest city looking for work in the prosperous oil and natural gas industries. In those fifteen years the metropolitan area climbed from Canada's ninth largest (403,000 people) to its sixth largest (670,000 people). This 66 percent growth far outpaced the nation's 17 percent gain.

In some ways, Calgary's economic position can be compared to Houston's. Oil lured people to both cities, and when the industry slumped, so did the metropolitan economies. Fortune-hunters who flocked to Calgary in the late 1970s packed their bags in the early 1980s. From 1979 to 1981, a net of 20,000 people a year moved to Calgary; from 1982 to 1984 a net of 23,000 people left each year.

Things are beginning to change again. Five thousand more people moved into Calgary in 1985 than moved out. Perhaps even more successfully than Houston, Calgary is trying to diversify and recover from the world energy rollercoaster.

The city's population is an asset in that effort. People in Calgary are younger, wealthier, and better educated than most Canadians. Sixty-one percent of Calgary's population are under age 35 compared to 56 percent for Canada as a whole, according to the 1986 census. Sixty-four percent are in their prime working years (ages 15 to 54), while 59 percent of all Canadians are in that same age category. Calgary's share of the elderly population is relatively small: Only 7 percent are aged 65 or older, while the elderly are 11 percent of Canada's population as a whole.

Because Calgary's population is young, people are somewhat more likely to live alone there than in Canada as a whole. One-person households accounted for 23 percent of Calgary households in 1986, com-

FAMILY LIFE

Thirteen percent of Calgary families are lone-parent families.
(Selected characteristics of Calgary census families, 1986)*

Total number of families in private households	**167,770**
By size of family	
2 persons	69,490
3 persons	39,400
4 persons	40,525
5 or more persons	18,360
By family structure	
Husband-wife families	146,240
with no children at home	57,275
with children at home	88,970
1 child at home	32,525
2 children at home	38,630
3 or more children at home	17,815
Lone-parent families	21,535
male parent	3,455
1 child at home	2,155
2 children at home	980
3 or more children at home	315
female parent	18,080
1 child at home	10,060
2 children at home	5,895
3 or more children at home	2,125

* *"Census family" refers to a husband and wife (with or without children who have never married, regardless of age), or a lone parent of any marital status (with one or more children who have never married, regardless of age), living in the same dwelling. For census purposes, persons in a common-law union are considered married. Source: Statistics Canada,* Profiles, Alberta: Part I*, p. 51.*

pared with 22 percent of all Canadian households.

Calgary is teeming with skilled laborers. While 22 percent of Canada's adults did not go on to the ninth grade, according to the 1981 census, only 9 percent of Calgary adults quit school before ninth grade. And 14 percent of Calgary's population aged 15 or older who were not attending school on a full-time basis had already received a university degree. Only 8 percent of all Canadians had done so.

Because energy is Calgary's primary industry, the city is filled with engineers, scientists, and administrators. Scientific workers made up 8 percent of Calgary's labor force in 1981, but only 3 percent of Canada's. Similarly, 12 percent of Calgary workers were managers or administrators—3 percentage points more than nationally.

The income gaps between the western and eastern provinces created by oil still linger in Canada. At US$12,989, Calgary's median income was 16 percent higher than Canada's as a whole in 1985. But in the last oil-rich days of 1982, Calgary's median income was as much as 24 percent higher than the Canadian average, according to Statistics Canada.

Calgary's spending patterns match those of other Canadian cities. Eighteen percent of total household expenditure goes to shelter, and 11 percent goes to transportation. Calgarians devote fewer Canadian dollars to food, however. They spend 13 percent of their budgets on it, while other urbanites spend about 15 percent of their money on food.

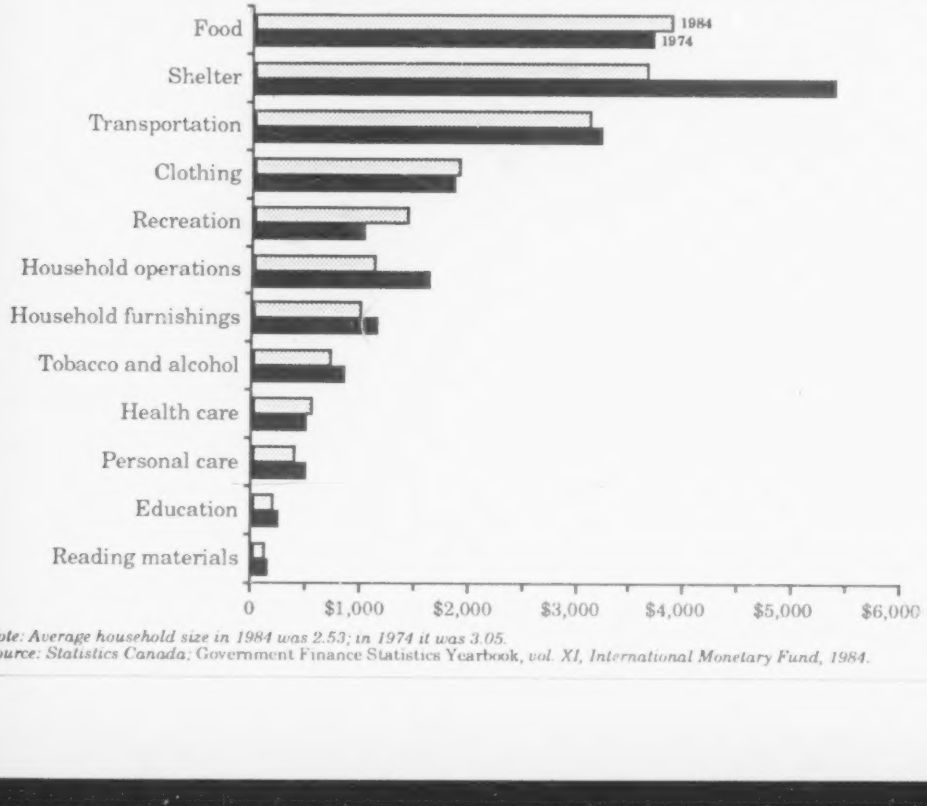
With the infusion of Olympic capital, Calgary may get the boost it needs to overcome the oil-glut stigma. And the new U.S.-Canada trade agreement, which will lift existing trade barriers between the two countries and open markets north and south of the border, is one vehicle to keep the momentum going.

—*Blayne Cutler*

People in Calgary are younger, wealthier, and better educated than most Canadians.

CALGARY BUDGETS

Calgary households spent one-third more on shelter in 1984 than they did in 1974. (Household expenditure by commodity, in 1984 U.S. dollars, 1984 and 1974)



Note: Average household size in 1984 was 2.53; in 1974 it was 3.05.
Source: Statistics Canada; Government Finance Statistics Yearbook, vol. XI, International Monetary Fund, 1984.

SEMI-CONDUCTORS: FROM POTATO CHIPS TO INDUSTRIAL RICE

PRODUCT COMPARISON

In the old days, "chip" was a word that followed potato. But now that consumers gobble up computers almost as addictively as they eat junk food, the word "chip" has become a symbol of technological superiority. But few people realize how many chips (or semiconductors) they actually own, or why they buy them.

These tiny integrated circuits are a part of a host of electronic, information, and military products. Consumers "choose" chips in part by buying one computer or VCR over another. For example, some powerful minicomputers have very "fast" microprocessor chips but not many "memory" chips, while other computers have both fast microprocessors and many memory chips.

In both cases the United States and Japan nearly corner the market. Since 1982 these countries have consumed three-quarters of the world's chips. But consumption patterns have changed dramatically. In 1982 Japan bought 26 percent of all "industrial rice" (a Japanese term for chips), and the U.S. bought 49 percent. Last year Japan bought 75 percent of the world's chips, and the U.S. bought 12 percent. Western Europe bought most of the rest.

To understand how much the Japanese outspend Americans on these silicon nuggets, one need only calculate the "chip-per-person" index. With total annual chip consumption at US$5.5 billion and a population of 122 million, each Japanese theoretically spends $45.08 a year on chips. Using the same index, Americans spend $3.37, and Europeans spend $.53.

The Japanese have concentrated on making memory chips, while the U.S. has focused on more advanced microprocessors. Memory chips make up a large share of consumption now. But in the world of hyper-innovation, these chips have already become "basic" technology. Future growth will hinge on the more advanced chips which are cultivated (at a high cost) in the U.S.

The race to upgrade chips is hardly pricing consumers out of the market. In fact, the price structure looks more like a "Going Out of Business Sale" than a high-tech special offer. Chip production has become so efficient that prices drop even as memory grows. A 1K* RAM memory chip cost 1 cent per bit in 1971. By 1986 a 256K RAM memory chip cost 0.001 cents per bit, according to the Bureau of Industrial Economics.

The new arena for chip-buyers in the next five years, however, may bring higher costs. New technology focuses on the custom-made chip, the Application Specific Integrated Circuit (ASIC). Unlike generic off-the-shelf chips, ASICs now are used

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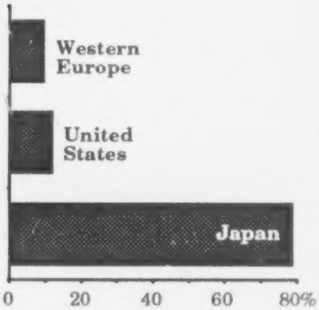
** 1K (kilobyte) equals 1,024 bytes or 8,192 bits.*

SEMICONDUCTOR CONSUMPTION

In five years, Japan has become the largest chip consumer.

(Percent of total semiconductor purchases, estimated for 1987)



Source: Dataquest, in The Economist, *12/12/87, p. 76.*

WHY BUY CHIPS?

Japanese buy chips for home electronics; Americans buy them for computers.

(Consumption of integrated circuits, in percent, 1982)

	Computers	*Communications*	*Office automation/other industrial*	*Consumer products*	*Government and military*
United States	78%	70%	41%	31%	92%
Japan	9	12	34	50	0
Western Europe	13	18	25	19	8
Total	100	100	100	100	100

Source: Electronics Industries' Association of Japan for the U.S. and Japanese data; Dataquest for Western European data, in The OECD Observer, *no. 132, January 1988, p. 15.*

predominantly in research and engineering, but soon will be used very frequently for consumer products like personal computers, VCRs, and cars. European consumption of ASICs is projected to grow by 25 percent in the next five years.

Semiconductor technology has defense and political implications that affect people outside the industry itself. Governments pump public funds into chipmaking and tout it as an "investment for our children." But for average consumers, the chips that change our lives are just an invisible part of the package.

—Linda Newcomb
Blayne Cutler

In the race for semiconductor supremacy, Japan is ahead. But the U.S. may ultimately win.

*(**AIDS in Asia**, continued from page 1)*

est cases of AIDS in the world since the virus was identified in 1981. In late 1987, 127 countries had reported a total of 64,488 AIDS cases to the World Health Organization (W.H.O.). The U.S. reported nearly 44,000 cases; 18 Asian countries reported a collective total of only 208 cases.

A "Pacific epidemic" of AIDS has not occurred so far, but the number of people showing symptoms of the disease continues to increase dramatically. Foreigners face growing hostility as carriers of disease—a sentiment that has greatly affected the freedom of travel.

Business people and government officials who travel to Asia have found visa restrictions, blood-test requirements, and other legislative barriers to entry. Those visitors who plan to stay in China, India, the Philippines, or South Korea for more than one year (long-term visitors) must prove that they are AIDS-free.

Restrictions are not limited to business travelers. All foreign students entering China and India must carry documents showing that they test negative for the AIDS virus. This policy is particularly controversial in India, where 80,000 foreigners study, half of whom come from the highly infected nations of Central Africa.

The upcoming Olympics pose a special health problem for South Korea. The government does not require testing of short-term visitors, but AIDS policies are under review as the games approach. Domestically, a program to test women working in nightclubs that are popular with foreigners has been expanded; the number of women tested has increased from 12,000 to 100,000.

Will screening travelers prevent a "Pacific epidemic" of AIDS? At the "Consultation on International Travel and HIV Infection" last March in Geneva, W.H.O. analyzed this question. "The direct and indirect costs of an HIV screening programme for international travellers can be considerable....If these costs are borne by the traveller, they will be unaffordable to many land travellers. If these costs are met by the recipient government, they may place an unacceptable burden on public finances," according to the conference report.

The estimated direct cost per traveler for AIDS testing would be US$10 to US$20. The conference attendees also identified two likely problems that could allow AIDS to enter countries that test foreigners: black marketeering of false health certificates, and failing to test foreign nationals who have been abroad.

But a larger problem centers on trade itself. "It could be reasonably anticipated," the report states, "that a restrictive policy for international travellers based on HIV screening would result in a decline in tourism and international commerce."

Business people intending to go to Asia for extended periods of time should check with embassies and consulates before their departure to find out what AIDS-related clearances they need.

—Stephen Karel
Health Officer
East-West Center

REGIONS: CONSUMER TRENDS AROUND THE WORLD

Where should you look for Latin America's elderly? In Uruguay and Argentina, according to Centro Latinoamericano Demografía's *Latina En El De Los.*

Sixteen percent of people in Uruguay and 13 percent of people in Argentina are more than 60 years old, according to CELADE. But only 6 percent of people in El Salvador and Haiti, the two most crowded countries in the region, are that old. Venezuela has the smallest share of people over age 60, at 3.5 percent.

LATIN AMERICA

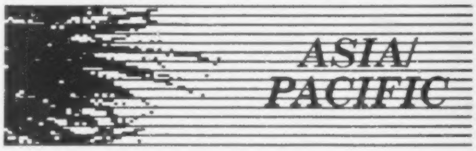
For more information on aging in Latin America contact Centro Latinoamericano de Demografía (CELADE) at Edificio Naciones Unidas, Avenida Dag Hammarskjold, Casilla 91, Santiago, Chile.

Jamaica wants to boost employment in electronics, according to the Institute for Resource Development. There is a "window of opportunity" for U.S. electronics manufacturers to base operations on this tropical hotspot, according to an IRD study funded by USAID. The Jamaican Industrial Development Corporation hopes to create jobs and to earn foreign exchange through outside investment. For further information contact Institute for Resource Development/Westinghouse, P.O. Box 866, Columbia, MD 21044.

Couch Potato Competition: Chinese may be more hooked on television than Americans. Seven out of ten Chinese glue themselves to the tube for 1.8 hours daily, according to the Third World Advertising Congress held in Beijing last June.

Those who think the television habit does not jibe with Chinese incomes may want to think again. As of early 1987 there were 65 million television sets in the country. Peak audiences can reach 250 million people—more than the total population of the U.S., according to The China National Advertising Association. Urban areas show particularly high rates of television ownership: 92 percent of Guangzhou households own a television, for example, and 32 percent of Beijing households watch their favorite programs in color.

A 30-second commercial on CCTV 2, a national government station that reaches nearly 300 million viewers, cost US$4,000 in 1987, according to the August 1987 China Trade Report. So much for those half-million dollar Super Bowl Spots.



Indonesians stay put: Fewer families leave urban markets. This year the government will scale back its US$7 billion resettlement program—one of the largest efforts to move people in modern history.

INTERNATIONAL DEMO MEMO

Cups of tea the average British person drinks in one year:

1958:	2,000
1987:	1,200

Cups of coffee the average American drinks in one year:

1965:	1,210
1985:	842

Sources: The New York Times; *The Beverage Consumer, 1987.*

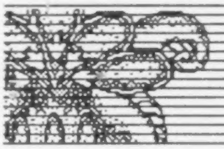
The massive attempt to correct overcrowding in Indonesian cities was criticized from the start. Of the 80,000 families that the government removed from large urban markets on the densely populated islands of Java, Bali, Maduri, and Lombak in 1986, nearly 20 percent came back to the cities, reports the International Planned Parenthood Foundation. This year the government will move only about 10,000 families.

IPPF estimates the cost to resettle just one family at US$10,000. The government will concentrate on more conventional means of lowering density, such as family planning.

Kinship revived: Longer life in France means stronger family and community relationships, according to the report *Some Major Trends in French Society* by Louis Dirn and Henri Mendras of the Fondation Nationale des Sciences Politiques.

Dirn and Mendras speculate that since 20 percent of the French population is aged 60 to 80, grandparents play a larger role in shaping society. "If life expectancy is 80...more and more children are brought up by their grandparents part of the week if they live nearby."

To find out more about family life in France write Observatoire Français des Conjonctures Economiques, Fondation Nationale des Sciences Politiques, 69 Quai d'Orsay, 75007, Paris.



EUROPE

Neither a Beckett nor a Shepard be: Europeans still prefer William the Quotable. During the 1986–87 season, Shakespeare was performed more than any other playwright in Germany, Austria, and Switzerland, according to the German Stage Association. Fifteen million people saw the works of more than 500 playwrights that year; 1,800 performances featured the words of the old master. Plays by Italian Dario Fo and German Bertold Brecht ranked second and third in total number of performances. But Brecht's *Threepenny Opera* was the "single most popular play," attracting 173,000 theatergoers.

CONFERENCES

March 15–17, 1988:
Understanding the New Harmonized System.
Sponsored by the International Trade Institute. Two one-day seminars on Export Documentation and Export Letters of Credit. Two half-day briefings on the Harmonized System (for importers and exporters). Palos Verdes Inn, 1700 S. Pacific Coast Highway, Torrance, CA. Other locations scheduled include Sunnyvale, CA (March 15-17), Trumbull CT, (March 22–24), Anaheim, CA (March 22–24), Charlotte, NC, (March 29–31), and San Francisco, CA (March 29–31). For further information, call 800-543-2453.

CITY STATS

DENTURE MARKETERS TAKE NOTE

At least one in five elderly adults reports chewing difficulties in four European cities.

(Percentage of elderly men and women who have had difficulties in chewing, in four European cities, 1979, by selected age groups)

Study area	*60–64*	*65–69*	*70–74*	*75–79*	*80–84*	*85–89*
Belgrade, Czechoslovakia						
Men	19%	27%	26%	28%	29%	33%
Women	22	15	25	38	33	33
Florence, Italy						
Men	19	21	33	19	28	34
Women	35	33	33	43	42	37
Kiev, U.S.S.R.						
Men	22	23	27	31	32	32
Women	27	29	43	52	49	56
Tampere, Finland						
Men	23	24	16	21	26	31
Women	11	15	20	22	23	47

Source: Heikkinen, E., et al, The Elderly in Eleven Countries—A Sociomedical Survey, *Copenhagen, World Health Organization, Regional Office for Europe, 1983.*

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PUBLICATIONS

Aging in the Western Pacific: A Four Country Study, Western Pacific Reports and Studies Number 1, World Health Organization, Regional Office for the Western Pacific, Manila, 1986, US$10.00.

By 2000, the number of people aged 65 and over living in developing countries will increase by 100 million. The number of people aged 65 and over living in industrialized countries will increase by 35 million. In cooperation with the governments of Fiji, Malaysia, the Philippines, and the Republic of Korea, the World Health Organization documents this elderly boom in **Aging in the Western Pacific.**

The demographics of an aging population could overwhelm these four countries. Mental health indicators suggest that these countries are already having some transitional difficulties. Twenty-two percent of elderly Koreans, for example, report that they are lonely, compared with 9 percent of elderly Americans and 1 percent of elderly Danes.

No government can control the laws of time, but by timing its laws favorably, it can help to ease the burdens of social upheaval. **Aging in the Western Pacific** is a tool for understanding countries struggling with demographic change.

British Social Attitudes: The 1987 Report, Gower Publishing Co., Old Post Road, Brookfield, VT 05036, US$65.95.

What do the British think about Americans? Thatcherism? Divorce? Potatoes?

British Social Attitudes: The 1987 Report provides answers to just about every question you might want to ask a Brit.

Some might be surprised to find out, for example, what young British women really think about health food. Fifty-one percent of women aged 18 to 34 say that "food that is good for you is usually more expensive." Only 45 percent of men in the same age group agreed.

Do British parents raise their kids differently? Eighty-six percent say honesty is the most important quality that British parents can teach children. Only 6 percent rate leadership as one of the top five qualities.

—Franklyn Crawford

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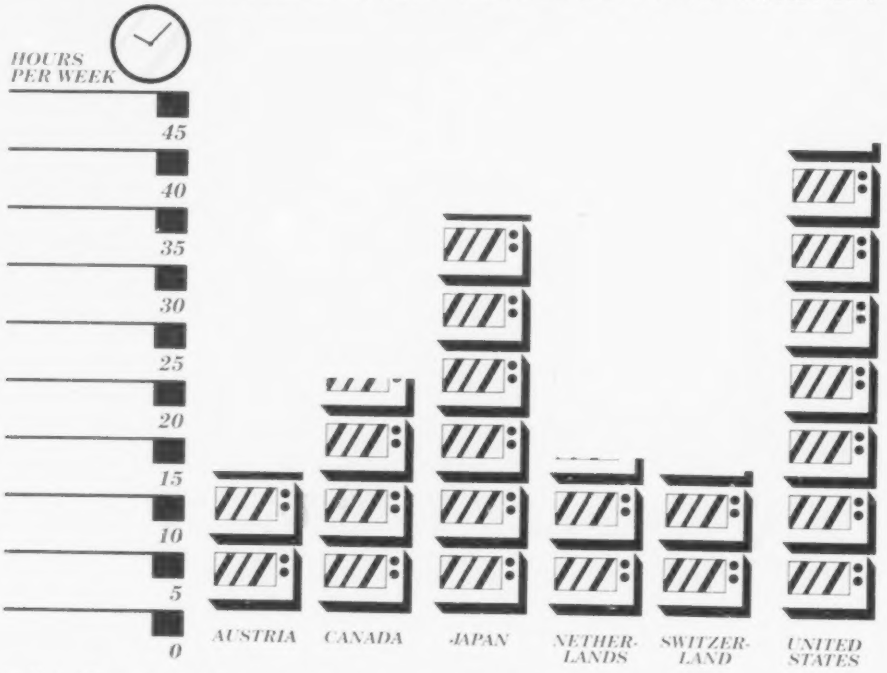
NEGLECTED CONSUMERS: THE AGED ON WORLD TELEVISION

ONE-WAY LOVE AFFAIR

The elderly spend the most time watching television. They see few characters their own age. (Hours per week of television watched by people aged 65 and over in 6 countries, 1980–86)*



* ***Note:*** *United States figure is for 1986 and is for persons aged 55 and over. Swiss figure is for 1979–80; Canadian, Japanese, and Dutch figures are for 1980; Austrian figure is for 1981.*
Source: Living Conditions in OECD Countries: A Compendium of Social Indicators, *OECD, Paris, 1986, p 108;* 1987 Nielson Report on Television, *Nielson Media research, Northbrook, IL, pp. 8–9.*

In most cultures, television presents a distorted picture of tomorrow's biggest audience.

LIFESTYLES AROUND THE WORLD

While world attention has turned to the problems of the elderly, media attention to this group hardly exists. Many studies show that the elderly make important economic and cultural contributions to society long after they reach 65 years of age. But business people tend to underestimate these capabilities—a situation that is most clearly represented in television's neglect of older age groups. As industrialized countries age, such neglect may prove to be a very costly price for business to pay.

In the United States, the elderly are the largest consumers of mass media. People aged 55 and older watch more television than any other age group, and they list television viewing as their most frequent leisure-time activity. In 1986 women aged 55 and over watched an average

(continued on p. 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 4 APRIL 1988

WEST BERLIN: BEYOND THE BARRIERS

West Berliners have made the most of a difficult situation. After a slump in the early 1980s, good fortune is spreading beyond city walls.

As the focus of East-West tension, Berlin reflects hopes for future German unity. Some even consider Berlin to be the true capital of a single nation. For now, however, the city remains resolutely divided. Only East Berlin serves as the capital of the German Democratic Republic (East Germany). And what West Berlin lacks in official recognition, it gains in economic and cultural influence over the Federal Republic of Germany (West Germany), and even over the rest of Western Europe.

Berliners get a lot of attention for making the most out of a difficult political situation, and lately that attention has intensified with the celebration of some unique honors. Last year the city celebrated its 750th anniversary, and recently the European Community Culture Ministers proclaimed Berlin the "European Cultural City for 1988." It is the first German city to win that title—a distinction that not only will bring artists and tourists to the area, but also will boost business.

COPING WITH CONFINEMENT

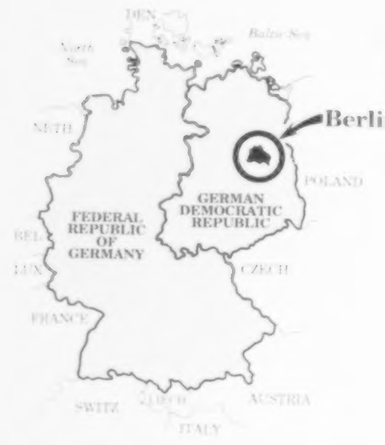
Of the 20 boroughs of Greater Berlin created in 1920, 12 now form West Berlin. Nearly one-third of the original city was destroyed during the final years of World War II.

Today, Greater Berlin lies 110 miles inside the zone allotted to the Soviet Union following the war (see map, opposite). What was considered the Soviet sector is now East Berlin; the British, French, and American sectors form West Berlin. The 106-mile-long Berlin Wall, built in 1961, effectively divides the 185 square miles and 1.9 million people in the western section of the city from 156 square miles and 1.2 million people in the Eastern section.

Although not constitutionally incorporated, West Berlin is considered to be the eleventh *Land*, or state, of the Federal Republic. Politically, West Berlin functions like two other German city-states, Hamburg and Bremen, or somewhat like Washington, D.C. West Berlin differs from other West German *Länder* in that its parliamentary representatives cannot vote. Nonetheless, four representatives from the city are sent to the *Bundesrat* (West Germany's upper house of parliament), and 22 deputies serve in the *Bundestag* (lower house).

WEST GERMANY'S STRAY CITY

The divided city of Berlin is located 110 miles inside East Germany.



Source: Documents on Germany, 1944–1985, *U.S. Department of State.*

To foster a close association between the isolated city and the rest of West Germany, the government includes West Berlin in the network of federal agency funding and employment whenever possible. These agencies employ a large number of West Berliners—more than 44,000 worked in all government institutions or agencies in 1986.

PROPPING UP GROWTH

The population of Berlin peaked in 1939, at more than 4.3 million. The devastation of World War II cut the number of people nearly in half, to

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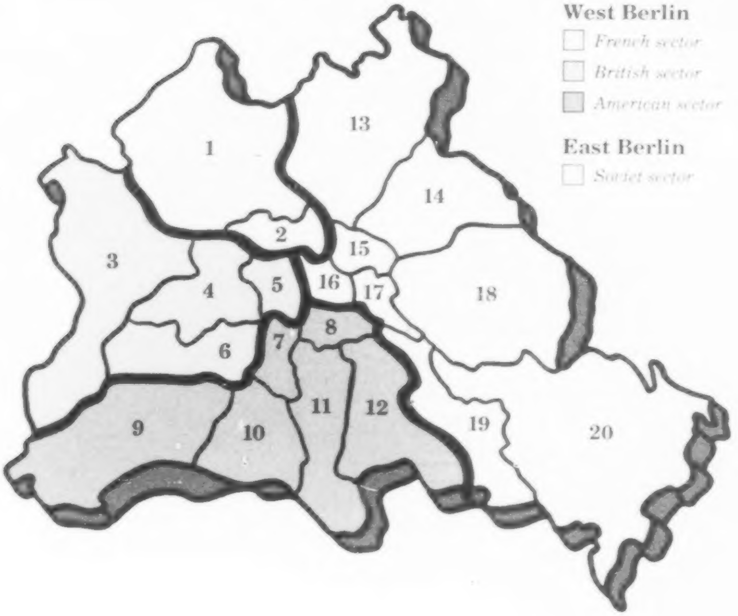
BERLIN IN PERSPECTIVE

West Berlin boroughs may be more populated than East Berlin boroughs, but they are hardly growing at all.



(Populations of Berlin boroughs in 1985 and 1983; annual growth rate, 1983–85; density in persons per square kilometer, 1985)

	Population 1985	*Population 1983*	*Annual growth 1983–85*	*Density (persons per km²) 1985*
Total (East and West)	**3,056,955**	**3,027,530**	**0.49%**	**3,462**
West Berlin	**1,860,084**	**1,854,502**	**0.15%**	**3,874**
1. Reinickendorf	228,971	229,193	–0.05	2,561
2. Wedding	136,702	135,011	0.63	8,877
3. Spandau	192,895	192,186	0.18	2,233
4. Charlottenburg	145,564	147,258	–0.58	4,804
5. Tiergarten	72,000	71,834	0.12	5,373
6. Wilmersdorf	130,722	130,103	0.24	3,800
7. Schöneberg	134,610	136,900	–0.84	10,944
8. Kreuzberg	127,393	128,790	–0.54	12,249
9. Zehlendorf	85,161	83,123	1.23	1,206
10. Steglitz	167,559	166,207	0.41	5,236
11. Tempelhof	162,100	160,773	0.41	3,983
12. Neukölln	276,407	273,124	–0.60	6,156
East Berlin*	**1,196,871**	**1,173,028**	**1.02%**	**2,970**
13. Pankow	135,276	139,173	–1.40	1,723
14. Weissensee†	102,338	98,495	1.95	2,571
15. Prenzlauer Berg	169,445	173,692	–1.22	15,689
16. Mitte	81,740	83,156	–0.85	7,639
17. Friedrichshain	121,623	126,177	–1.89	12,411
18. Lichtenberg†	185,791	186.941	–0.31	7,091
19. Treptow	114,749	118,922	–1.75	2,826
20. Köpenick	122,536	123,725	–0.48	963
— Marzahn†	163,373	122,747	16.55	2,750

* ***Note:*** *East Berlin population figures are for 1984 and 1982.*

† ***Note:*** *Portions of Weissensee and Lichtenberg have been recently subdivided into three smaller boroughs: Hohenschönhausen, Marzahn, and Hellersdorf. Only population statistics for Marzahn, however, are available thus far.*

Sources: 750 Years Berlin: Information 1987, *Berlin Information Center, 1987, p. 6; Luuk, Ernst,* Outlook Berlin, *Berlin Information Center, 1987, Berlin, p. 6.*

Germans are having so few children these days that only migration brings growth to West Berlin.

2.8 million. Today, Berliners east and west of the wall number 3.1 million. West Berlin has shown an almost steady population decline for 20 years—from 2.2 million in 1965 to 1.86 million in 1983. For the first time since the 1960s, the number of West Berliners rose slightly between 1985 and 1986, to 1.88 million.

Even with its population decline, West Berlin is the most populous city in West Germany, a country of many populous urban centers. The city houses slightly more than 3 percent of West Germany's total citizenry in a crowded and confined space. West Berlin's population density is the country's highest, at about 4,000 people per square kilometer. Hamburg, about half as crowded, is the country's second most densely populated city.

Germans are having so few children these days that only migration brings growth to the city. In fact, the slight population gain in 1986 resulted from the influx of foreign workers. From 1984 to 1986, 46,000 more foreigners moved into West Berlin than left. Net migration in 1985, at 21,000, was the highest since 1964. In short, foreigners have become vital to the city.

While ethnic diversity is strong in West Berlin, it is characteristic of other West German metropolitan areas as well. In absolute terms, West Berlin has the most foreigners—about 244,000. But proportionally, nine other West German cities have a larger share of immigrants than West Berlin's 13 percent.

German attitudes toward these newcomers have changed dramatically over the years. Initially, West Berliners courted foreign workers from Turkey, Greece, Yugoslavia, and the Mediterranean region to fill vacant factory jobs. In 1983, West Berlin housed 85,000 guest workers—11 percent of the total metropolitan labor force, compared with 7 percent nationally. Now that the city's unemployment has skyrocketed from 1 percent in 1973 to 10.4 percent today, officials have put an end to hiring non-European Economic Community (EEC) workers. To make their message clearer, they offer financial incentives to send the rootless back home, including the reimbursement of pension contributions.

WATCHING THE CLOCK TICK

Wilmersdorf, Schöneberg, and Steglitz are the "oldest" boroughs.
(Population by age in West Berlin boroughs and in East Berlin, in percent, 1986)

	Under 6	6 to 14	15 to 64	65 and over
West Berlin	**5.8%**	**7.8%**	**67.9%**	**18.5%**
Charlottenburg	5.6	6.7	67.3	20.5
Kreuzberg	8.0	10.1	71.2	10.7
Neukölln	5.8	7.9	68.8	17.4
Reinickendorf	5.2	7.8	67.9	19.1
Schöneberg	6.1	7.7	69.6	16.6
Spandau	5.5	7.8	68.1	18.7
Steglitz	5.6	7.5	65.9	21.0
Tempelhof	5.2	7.6	66.1	21.0
Tiergarten	6.8	8.0	69.0	16.2
Wedding	6.7	8.3	68.2	16.8
Wilmersdorf	4.7	6.5	66.5	22.3
Zehlendorf	5.7	9.0	65.3	20.0
East Berlin	**—**	**19.0 ***	**69.0**	**12.0**

* ***Note:*** *Includes people under age 6; East Berlin shares are for 1985.*
Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, pp. 38–39.*

But it may be too late. Nearly one in three people from the West Berlin borough of Kreuzberg is not German. Close behind, about one in five people from Tiergarten, Wedding, and Schöneberg boroughs is foreign-born. In fact, throughout the city, more than one in five children under six years of age has non-German parents, according to the Berlin Information Center.

POPULATION VERTIGO

The stability that migration brings to West Berlin's population count, however, is not expected to continue. And once the foreign influx slows to a trickle, the number of West Berliners will shrink by about 8,000 people per year, according to official projections. Inner-city boroughs, such as Kreuzberg and Tiergarten, will lose the most people.

Projections of the city population are dependent on a vital piece of information: West Berlin has one of the lowest birth rates in the world—9.7 births per 1,000 population. In addition, because so many West Berliners have reached old age, the death rate is high. At 17.8 deaths per 1,000 population, it far exceeds the national average of 11.7 deaths per 1,000.

West Berlin's rapidly aging population strains the city's economic future. Observers forecast heightened political tension, if not social unrest, as the 20-to-60-year-old age group is forced to bear the financial burden of a growing retirement population. Last year, 19 percent of West Berlin's population was aged 65 and over, compared with the national average of 15 percent. More than two-thirds of West Berliners fall into the working-age category 15-to-64, and 14 percent are 14 or younger.

JUMP-STARTING THE JOB MARKET

Charting West Germany's unemployment is like charting Japan's economic growth: Since the early 1970s, the numbers have increased geometrically. In one decade the country went from full employment to more unemployment than during any other post-war year. That peak in unemployment of 9.1 percent in 1983 dropped to 8.6 percent by the next year, but West Berlin's people still suffer. Joblessness in the city continues to exceed the national average.

A FOREIGN FUTURE

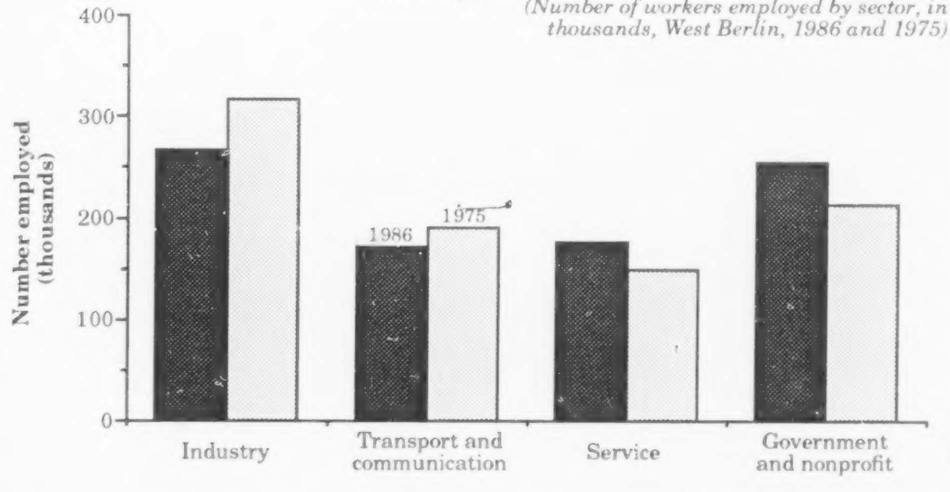
More than one in five Berliners from Kreuzberg, Tiergarten, or Wedding is not German. (Foreigners in West Berlin and its boroughs, by number and percent of total, 1986)

	Total foreign pop.	*Share foreign*
West Berlin	**244,270**	**13.0%**
Charlottenburg	23,652	16.2
Kreuzberg	37,050	28.5
Neukölln	37,252	13.4
Reinickendorf	14,427	6.3
Schöneberg	25,568	18.8
Spandau	18,109	9.1
Steglitz	11,323	6.7
Tempelhof	10,395	6.3
Tiergarten	16,416	22.8
Wedding	29,607	21.3
Wilmersdorf	13,231	10.1
Zehlendorf	6,873	7.9

Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, December 1987, pp. 38–39.*

JOB REPORT

Service and government jobs grow while factory jobs taper off. (Number of workers employed by sector, in thousands, West Berlin, 1986 and 1975)



Note: *The share of West Berliners employed in farming, fishing, and forestry was only 1.4% in 1983.*
Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, p. 12.*

MEDITERRANEANS ON THE MOVE

Over half of West Berlin's foreign workers are Turks. (Foreign workers in West Germany and West Berlin, in percent, 1983)

	Share of total foreign workers	
	West Germany	West Berlin
Turkish	31.5%	51.7%
Yugoslavian	17.9	17.6
Italian	13.9	3.5
Greek	6.4	3.5
Other	30.3	23.7

Source: Statistical Yearbook for the Federal Republic of Germany 1984, *pp. 40–41.*

West Berlin's labor force numbered more than 860,000 in 1985. Eight percent of all workers are self-employed. Twelve percent of its workers are foreign nationals, and their unemployment rate—at 14 percent—exceeds the city-wide average.

In an effort to tame unemployment, West Germany is experimenting with a shortened workweek. In April 1985, the metal industry reduced its average workweek to 38.5 hours from 40 hours, for example. This move is credited with the creation of 50,000 additional jobs in that industry, according to the German Institute of Economic Research in West Berlin. Researchers further estimate that two-thirds of the lost hours were made up by hiring new employees, while the remaining one-third was filled by overtime.

REFOCUS ON SCIENCE

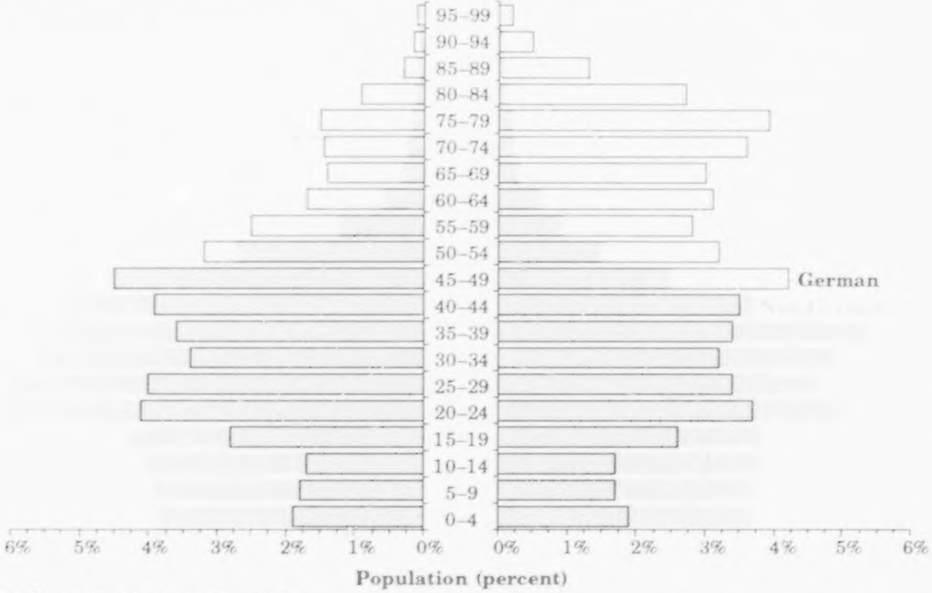
Despite the fact that West Berliners have been cut off from surrounding markets and transport facilities, hard work makes up for what they lose in convenience. The urban economy, heavy in manufacturing, has grown steadily since 1983.

West Germany's reputation in precision engineering starts in the walled city. Electrical engineering is West Berlin's largest industry, with 57,000 workers, or 35 percent of all industrial employment (by payroll) in the city. Mechanical engineering, chemicals, and food processing are next in line. Manufacturing capital goods employs nearly two-thirds of the industrial labor force. Trade, service, and craft-making enterprises also employ large numbers.

But West Berliners are attempting to refocus their strength on high-technology and research-intensive activities. The city has more than 180 university and non-university research institutes with extensive scientific capabilities. Test marketers often use West Berlin to try out new media or telecommunications technologies, since they can closely monitor their test results.

RIPE AND READY

Most foreigners are in their prime working years—aged 24 to 59. (Age structure of German and non-German West Berliners, in percent, 1986)



Note: *Data estimated from original chart.*
Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, p. 8.*

WHAT WEST BERLINERS WILL BUY

West Berliners do get special privileges. To keep skilled workers in the city, the government awards every West Berliner an 8 percent tax-free bonus on his or her gross income. The average weekly income for industrial workers amounts to US$335 for men and US$242 for women. In addition, West Berlin parents get US$23 per child more than other West German parents each month. And despite the furor over "guest workers," those who move to West Berlin for work are still awarded full travel expenses and resettlement grants.

These bonuses, which are supposed to offset the hardships of living an isolated life, give West Berliners more money to spend each month. West Berlin ranks among the top ten West German cities in spending and consumption. Predictably, electronic purchases are large among the 1.1 million households. West Berliners own about 900,000 television sets and one million radios. Cable television is growing in popularity as well. About 220,000 households are "connected" so far.

Housing in West Berlin is not as expensive as in other West German cities. In fact, some describe West Berlin as "a city of tenants." Only one in ten households owns its home or apartment—one-third the share of those in Munich or Hamburg. On average, West Berlin households spend about 18 percent of their monthly disposable income on rent, which in some cases is controlled. Because there are few neighborhoods available for expansion, West Berlin must make the best use of existing housing units. Maintenance and modernization are fast-growing markets in the city.

For both young and old the city's cultural attractions take up a significant share of the household budget. More than 2.3 million people attend the theater each year. Film and music are also thriving. More than 466,000 people attend concerts each music season. Cultural costs are shared by the government. State and private theaters receive about DM 100 million each year in art subsidies.

LIKE CLOCKWORK

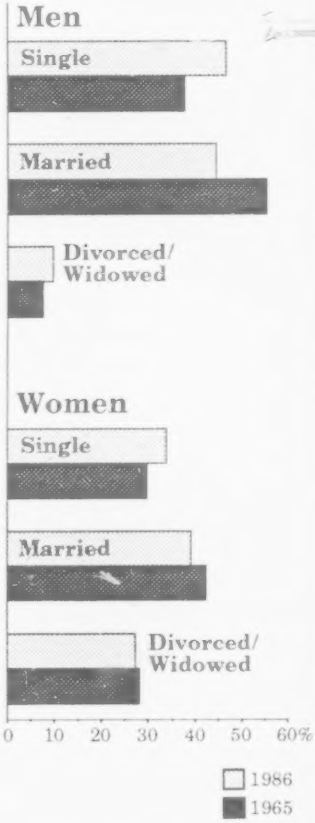
West Berlin's urban rail system did not always run like clockwork. Initially, the *S-Bahn* (elevated rail system) and the *U-Bahn* (underground rail system) were the responsibility of the East German railroads. However, construction of the Berlin Wall in 1961 prompted a permanent boycott of the city's rail system by many West Berliners, and the market for public transportation shrank. By 1984, the system was losing DM 100 million annually.

SCHOOL TRENDS

More West Berliners study at university today than did a decade ago. (Number of students by type of school, West Berlin, 1986 and 1975)

Type of school	*1986*	*1975*
Primary school	90,000	143,000
Special school for the handicapped	7,000	12,000
Basic secondary school	10,000	22,000
Intermediate secondary school	15,000	23,000
Comprehensive secondary school	24,000	19,000
High school	41,000	41,000
Vocational/technical schools	60,000	44,000
University	97,000	68,000

Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, p. 14.*



SINGLES BOOM

More men and women choose single life than did twenty years ago. (Marital status by sex, in percent, West Berlin, 1986 and 1965)

Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, p. 9.*

By agreement among the four Berlin powers, West Berlin authorities now operate the 40 kilometers of track that lie within the city. Trains, buses, and aircraft now depart and arrive on a precise schedule. Both *U–Bahn* and *S–Bahn* service is provided at regular five-minute intervals during rush hour, and extra cars are added as necessary.

Communication and travel between East and West Germany have also improved. At one time, only postal links were maintained across the divide, but now more Germans have east-west telephone service. West Germans can visit family members in East Germany, and since 1984 they can stay in East Germany for a total of 45 days each year. Since the Tripartite Agreement in 1972 (which set the regulations for travel between East and West Germany), West Berliners have made 37 million visits to East Germany.

But east/west visits have been erratic. When East Germany enacted new regulations in 1980 stipulating that all West Berliners visiting East Germany must exchange US$12.00 per day, including pensioners who were previously exempt from any minimum, and that parents must exchange US$3.50 per day for each child aged 6 to 15, visitors balked. Travel from west to east dropped from 3 million visits in 1979–80 to 1.7 million in 1981–82.

SOURCES

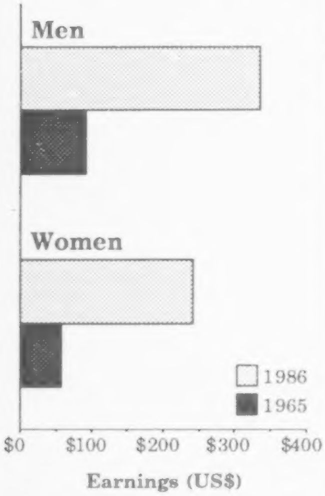
West Berlin is a major trade-fair center with 24 exhibition halls. Information is readily available in English by contacting AMK Berlin Trade Fair and Congress. (AMK Berlin, Ausstellungs-Messe-Kongress GmbH—"AMK") at Messedamm 22, D–1000 Berlin 19 (telephone: (030) 3038-1; telex: 182908).

U.S. offices in West Berlin include the U.S. Mission Berlin, D–1000 Berlin 33 (DAHLEM), Clayallee 170 (telephone: (030) 819-7561; telex USBER–D), and the U.S. Chamber of Commerce, 1000 Berlin 30, Kurfuersendamm 114 (telephone: (030) 24 26 46).

—Linda C. Newcomb
Hampton University

BREAD AND BUTTER

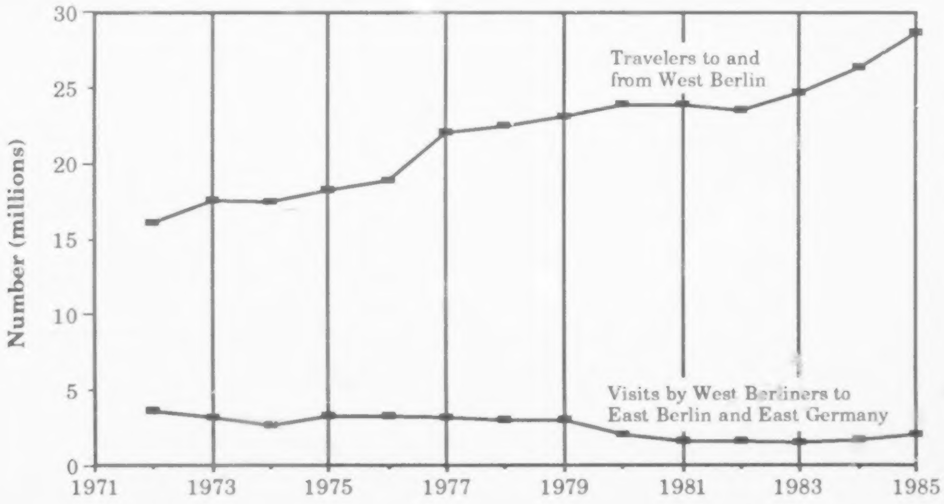
West Berlin workers have prospered since 1965, but women still make 72 percent of men's wages. (Weekly earnings of West Berlin industrial workers, by sex, in current U.S. dollars, 1986 and 1965)



Note: *Earnings were converted using 1986 exchange rates.*
Source: Die Kleine Berlin-Statistik, *Statistisches Landesamt, Landeszentrale für politische Bildungsarbeit Berlin, 1987, p. 36.*

TRAVEL GAP

Despite easier access, travel to East Berlin slows. (Number of travelers to and from West Berlin; number of visits by West Berliners to East Berlin, in millions, 1972 to 1985)



Source: 750 Years Berlin: Information 1987, *Presse- und Informationsamt des Landes Berlin, p. 49.*

*(**Neglected Consumers**, continued from p. 1)*

of 39 hours a week, and men watched 44 hours, according to the *1987 Nielson Report on Television*. Television provides not only entertainment and information, but also companionship. Viewers often identify with television personalities, thus feeling part of a social group.

What is the image of aging outside the U.S.? Several program surveys reveal that the elderly do not appear on much television throughout the world. Compared with their numbers in the general population, the aged are grossly underrepresented on television, and older women are virtually absent from primetime programs. If the media reflect a society's notion of priorities and status, the message is that the elderly are ineffective and unimportant.

The omission of elderly characters begins with children's programming. Analyzing six weeks of cartoons on major TV networks in the U.S., J.M. Bishop and D.R. Krause found few older people, according to their 1984 report, "Depictions of Aging and Old Age on Saturday Morning Television." Of the 378 primary characters in the 106 cartoons sampled, only 25—or 7 percent—were elderly. The millions of children who watched those cartoons also heard 21 incidental remarks about aging, only two of which were positive. The remaining 19 depicted old age as a time of decline and deterioration.

Does the situation improve in cultures that bestow a higher status on the elderly? Surprisingly, there were even fewer elderly characters in Japanese programs than in American programs, and the elderly are on the screen for much shorter periods of time in Japan than in the U.S., according to J. Holtzman and H. Akiyama's study, "What Children See: The Aged on Television in Japan and in the U.S." Among speaking roles, the proportion assigned to elderly characters was 9 percent in American programs and 4 percent in Japanese programs. The total time elderly characters remained on the screen was 3 hours and 27 minutes in the U.S., and only 1 hour and 37 minutes in Japan.

Overall, only one-third of all the characters in Japanese and American children's programming were women, and older women accounted for fewer than 2 percent of the television roles. In spite of cultural differences, children in both the U.S. and Japan are shown a distorted picture of the population structure, and the programs they watch minimize the importance of older persons, particularly women.

The image of the aged on television does not fare any better in less-industrialized societies, where the mass media are just beginning to develop. In Zaire, three serial programs about older people (two of which are aimed at children, featuring a grandfather telling stories) use young actors with makeup to represent the elders narrating old stories rather than using older Zairians themselves, according to N. Kabwasa and A.T. Katawa in *African Gerontology*. As television replaces the oral tradition, the real masters of the tradition are left out.

There exists a popular belief that older persons play a more central role in non-Western cultures than in Western cultures, but this is not evident on television. In fact, the failure to depict older persons on television appears to be a universal phenomenon and may be even more pervasive in traditional societies. This worldwide absence of the aged from television screens not only reinforces the impression that the old are unimportant, but also neglects the growing television audience of the elderly.

—Marsel A. Heisel, EdD
Rutgers University
School of Social Work

***Note:** For detailed source information, contact* Consumer Markets Abroad *editorial offices.*

There exists a popular belief that older persons play a more central role in non-Western cultures than in Western cultures, but this is not evident on television.

FRANCE'S GREEN REVOLT

A nation of shopkeepers warms up to investment.

One need go no further than the nearest French newsstand to find evidence of that country's "green revolution." Kiosks in cities and rural areas alike carry new magazine titles treating every conceivable aspect of finance—once nearly a taboo subject in France.

At least six new finance-related publications have appeared in as many months—three of them during the first week of February alone. Time, Inc. settled on France as the springboard for its European expansion of *Fortune.* Literally within hours of *Fortune France*'s 80,000-run debut, home-grown *Option Finance* appeared. The French daily newspaper of record, *Le Monde*, now includes a separate business supplement with its Friday edition. Conservative *Le Figaro* has a salmon-colored business section that looks strikingly similar to that of the *Financial Times*. Even *Libération,* the newspaper inspired by the May 1968 student uprising, now gives daily stock market quotations.

TAKING RISKS

Most French households hold some sort of savings; upper-income households are the biggest investors.
(Type of investments by age, income, and household type, in percent, 1986)

	Checking account	*Credit card*	*Securities*	*Demand deposits*	*Government bonds*	*Mutual funds*	*Life insurance*	*Home ownership (total)*
Age								
under 30	96%	59%	8%	82%	1%	5%	28%	20%
30 to 39	98	59	17	82	5	10	39	56
40 to 49	97	55	21	81	6	13	46	67
50 to 59	96	40	23	79	11	16	40	73
60 to 69	95	30	26	82	15	19	22	70
70 and over	86	15	22	83	15	13	11	60
Household income								
under US$4,000	80%	15%	5%	69%	2%	2%	8%	37%
US$4,000 to $6,999	87	20	7	76	4	2	12	45
US$7,000 to $10,999	92	32	11	79	6	5	21	46
US$11,000 to $13,999	96	40	13	83	5	9	32	56
US$14,000 to $18,999	99	53	19	86	8	12	41	60
US$19,000 to $28,999	100	60	29	87	12	19	41	74
US$29,000 to $42,999	100	65	49	88	23	37	51	85
US$43,000 and over	100	75	68	83	34	52	56	92
Type of household								
One person	89%	28%	16%	77%	8%	10%	13%	43%
Married couple								
without children	95	40	26	82	13	18	30	67
with 1 child	99	57	19	84	8	13	46	62
with 2 children	99	62	21	87	6	13	49	69
with 3 or more children	95	49	15	81	5	9	44	72
Single-parent families	96	42	11	78	4	6	25	37
Other households	96	38	22	83	12	15	29	62
Total	**94%**	**43%**	**20%**	**82%**	**9%**	**13%**	**31%**	**59%**

Note: *Household income was converted to US$ using the 1986 exchange rate of US$1 = 6.9261 francs.*
Source: Enquête sur les Actifs Financiers 1986, *in* Premiers Resultats, *October 1986, no. 76, Institut National de la Statistique et des Études Économiques, Paris, p. 2.*

When it comes to matters of money, the French have been wary (some might say hostile) to the profit motive. But even for a nation that has the world's largest number of magazines per capita, the recent upsurge and survival of money-oriented publications tells an interesting story. "The French are becoming capitalists despite themselves," comments French financial journalist Phillip Sassier.

What is the profile of these readers who now have an insatiable appetite for matters financial? Any discussion of the new French investor must first turn to his or her holdings, and that story begins with gold.

For longer than any can remember, gold was all that ever glittered for the French, traditionally distrustful of banks and government economic policy. Gold represented a bulk of private investment in the mid-1970s, and France still leads the world in gold privately held—much of it, if one believes the common wisdom, in a *bas de laine* (wool sock) under the mattress. As recently as 1981, French citizens held an estimated 4,500 tons of this precious metal—about twice the amount then in the country's official reserves.

Prime Minister Jacques Chirac's efforts to heat up the economy are cited as causing an upsurge in consumer credit spending. In 1986 alone, household indebtedness shot up by 43 percent over 1985, according to the country's National Credit Council. And credit continued to surge into last year.

About 40 percent of French households carry some form of debt. Two-thirds of the 2.3 million clients of CETELEM (France's leading credit-processing agency) are under age 40. Of the total, blue-collar workers are 42 percent, salaried employees 26 percent, staff management and independents 19 percent, and farmers only 3 percent.

Between 1977 and 1982, French households with investments more than doubled, from 8 percent to 17 percent. From 1979 to 1984, the share of households with investments in stocks and bonds tripled, from 12 percent to 35 percent. And while families devoted more of their budgets to investment, they devoted less to fashion and food.

The financial revolution has reached the grassroots and cuts across incomes and occupations. Sassier estimates that 10 percent of France's 56 million citizens owned stock in 1986. Many of these holders are *petits porteurs* (small investors). About 90,000 investors belong to one of the country's 6,000 or so investment clubs, which began to sprout up at the end of the 1970s. These clubs are second in number only to those in the U.S., and they surpass West Germany's 2,000 clubs. The median age of French investment-club members is 44—younger than most stock market players.

That last fall's *krach* produced no large-scale sell-off is one indication of the new small investor's changed nature. Traditional savings accounts now absorb less than 12 percent of all household expenditures—down from 19 percent in 1975, according to *Economie et Finances Agricoles*.

Though there was no big sell-off, France's stock market is still recovering from last October's Black Monday. But the people's broad interest in international investment has hardly abated, as the publications explosion demonstrates. When one considers past resistance to such feverish investment activity, this climate seems all the more "revolutionary."

—Peter Inserra
Paris, France

***Note:** Proceedings of ESOMAR's "Research for Financial Services," a seminar held in Milan at the end of January, are available by writing ESOMAR Central Office, J.J. Viottastraat 29, 1071 JP Amsterdam, The Netherlands. Transcripts are available in English.*

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DISCOVER VANCOUVER, BRITISH COLUMBIA

Boasting a vibrant Chinatown, Vancouver benefits from the newest round of Asian investment.

"Undiscovered" is an adjective that may not accurately describe Vancouver, the largest city in the province of British Columbia. "Selectively discovered" is more appropriate.

While Asians, especially from Hong Kong, are flocking to live and invest in this city of 431,000, Americans and Europeans have been more reticent. Since 1981, one in ten Canadian immigrants (64,000) settled in Vancouver, 47,000 of whom came from Asian countries. In this westernmost province of 3 million people, there are about 113,000 Asians who call the Vancouver metropolitan area home.

Why has Vancouver become "little Asia"? Several international events have converged to create this boom, the most important of which is the fate of Hong Kong. The island's uncertain future in 1997, when control reverts to the People's Republic of China, has prompted Hong Kong Chinese to plan ahead, and has inspired the Canadian federal government to make room for those plans.

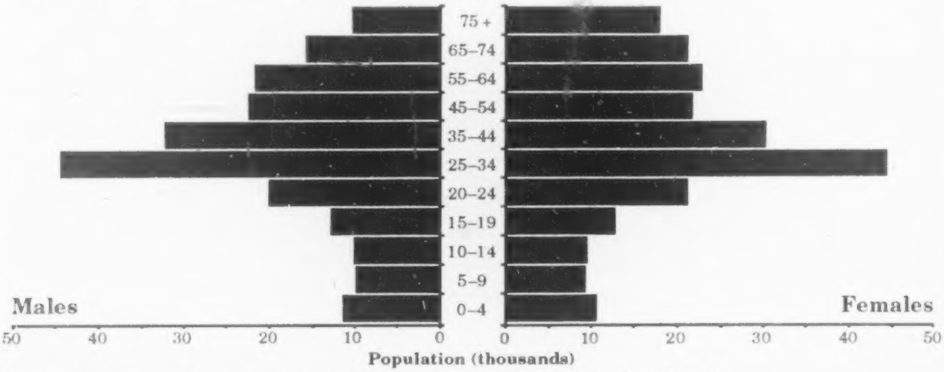
Special incentives for "entrepreneurial class" immigrants and "investor class" immigrants give applicants who can bring substantial resources into Canada the chance to speed up the visa process. Entrepreneurs must "establish or buy a substantial interest in a business that will provide employment for at least one Canadian citizen or permanent resident," according to the British Columbia Ministry of Economic Development. Investors must "have a personal net worth of C$500,000 or more," and must "invest at least C$250,000 for a minimum of three years" in a project that will benefit British Columbia.

The biggest selling point of the Canadian investor program is that these applicants need not live year-round in Canada—a real benefit for islanders who are adopting a "wait and see" attitude with regard to 1997. For the Canadians, the plan has worked: 212 Hong Kong "investors" brought in US$166 million last year, and 51 "entrepreneurs" poured US$52 million into the metropolitan area during the first three quarters of the year. Overall, each Asian investor came to Vancouver with an average of US$1.5 million.

Second, the U.S.-Canadian free trade agreement, which removes most trade barriers in North America, has caught the attention of Japanese investors. By building plants and sending workers to Canada, they hope to watch Toyotas coast south from British Columbia to Washington

COASTAL AGING

Vancouver's age structure is growing increasingly top-heavy. (Population of Vancouver residents by age, in thousands, 1986)



Source: 1986 Census, Selected Characteristics, Greater Vancouver, *Statistics Canada, p. 5.*

state outside the realm of nasty Congressional trade wars.

While Vancouver's port attracts people from the Pacific Rim, natural resources attract eastern Canadians as well. This city's share of Canada's total population has grown from 4.2 percent in 1951 to 5.5 percent in 1986—a share which is bested only by Toronto and Montreal. Between 1976 and 1981, the Vancouver metropolitan area attracted a net of over 38,000 Canadians from other metropolitan areas. Only Calgary attracted more urban Canadians—over 55,000. And at an annual 8.9 percent, the metropolitan area recorded the fifth highest population growth rate among all of Canada's metropolitan areas between 1981 and 1986.

The city of Vancouver is crowded. On each square kilometer of land there are 3,818 people. Most of those people—71 percent—are aged 15 to 64. A significant share of Vancouverites (15 percent) are aged 65 or older.

Among Vancouver residents older than age 14, as many as 35 percent had not married in 1986. This proportion far exceeds the national share of 27 percent. Nearly 6 percent of those over age 14 are divorced, and more than 8 percent are widowed. Nationally, the shares of divorced and widowed Canadians are smaller at 3.5 percent and 6.3 percent, respectively.

Vancouver's 186,000 households average 2.3 persons. Fully 39 percent of the households are one-person households, compared with 21 percent nationally, and 30 percent are two-person households. Sixteen percent of Vancouver families are lone-parent families.

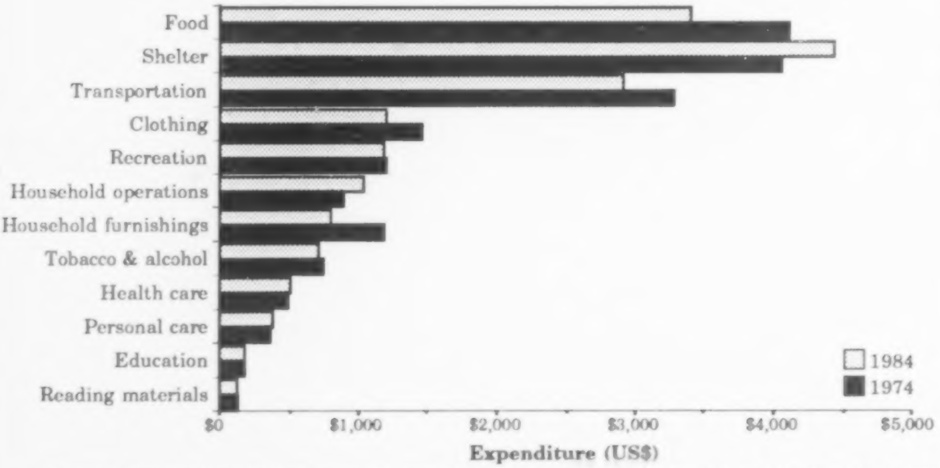
In 1984, Vancouver families spent less than Canadians in other cities, but divided their budgets like other urbanites. Their total expenditures amounted to US$23,300, compared with a 17-city average of US$24,768. Vancouverites devote a larger share of their budget to shelter—19 percent—than do other Canadians, who spent less than 18 percent. But Vancouver residents spend proportionally less on clothing—5 percent, compared with 6 percent nationally.

Vancouver's move away from natural resources into banking and commerce blends well with the growing international character of the city. And with increased North American trade, what has already become the gateway to the east may soon look like the revolving door south.

—Blayne Cutler

VANCOUVER BUDGETS

Vancouverites spend less on food and more on shelter than they did a decade ago. (Household expenditure by commodity, in 1984 U.S. dollars, 1984 and 1974)



Source: Statistics Canada; Government Finance Statistics Yearbook, *vol. xi, International Monetary Fund, 1984.*

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REGIONS: CONSUMER TRENDS AROUND THE WORLD

If Americans go from beef to pasta and beer to carrot juice, what will become of Australians? Beef, beer, and butter consumption fell dramatically from 1985–86 to 1986–87, according to the Australian Bureau of Statistics.

OCEANA

Lamb eaters are disappearing the fastest; consumption fell more than 11 percent over the two years, while beef and veal eating slowed by more than 5 percent. The no-meat trend started six years ago. Since that time meat consumption has dropped 8 percent.

Dining has also become a sobering experience. On average, Australians drink about 1 liter of alcohol less than they did six years ago—a drop of over 11 percent. Beer drinking fell by 14 percent, while wine tasting grew by 8 percent.

INTERNATIONAL DEMO MEMO

Total value of telecommunications equipment that Japanese purchased from abroad in 1986	*US$619 million*
Total value of fine art they imported in 1986	*US$307 million*

Sources: *Tokyo Customs Office; Japanese External Trade Office.*

Do housemaids, garbage collectors, and miners gain more respect in communist countries than in capitalist countries? Not in the People's Republic of China, according to the study "Occupational Prestige in Urban China," by Nan Lin and Wen Xie reported in the January 1988 issue of the *American Journal of Sociology*.

After interviewing nearly 1,800 working adults in Beijing, the authors show that despite historical attempts to criticize intellectual activities, Chinese people still rank physicians, electrical engineers, and university teachers as the three most prestigious jobs. Manual workers, including garbage collectors, drivers, and housemaids, gain the least prestige.

Age and sex make a difference in ranking occupations. Women gave higher ranks to traditionally "female" jobs, such as typist, nurse, and elementary schoolteacher. Men gave natural scientist, athlete, driver, and mechanic more prestige.

Imagine getting home, smiling at your home robot, eating automatically baked bread, watching your business associate in France as you talk to him on the phone, sending him a facsimile or two from your home facsimile machine, tuning in to some high-definition TV news, and turning off your home computer as you run out the door. No, it's not *Lost in Space*. It will be one out of every two Japanese homes in 20 years, according to a forecast by the Japanese Science and Technology Agency.

ASIA/PACIFIC

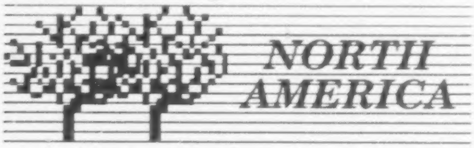
The agency's December 1987 forecast "A Report on the Utilization of Electronics Technology in Home Life" predicts that at least 50 percent of Japanese homes will be equipped with a home computer, TV telephone, facsimile machine, high-definition TV, and comprehensive audio-visual system by 2010. About 45 percent will include a home robot.

The rise in working women will

boost the need for labor-saving devices such as fully automatic washing machines, dryers, and dishwashers. The growth in the elderly population from 10 percent of Japan's population today to 20 percent by 2010 will fuel a demand for in-home communications technology. And the shortened workweek (from 6 to 5 days) will increase people's desire for leisure goods, especially electronics.

Canadians are an increasingly mixed brood. One in four Canadians has ethnic origins that do not include British or French, according to the 1986 Census.

Based on a 20 percent sample, Germans, Italians, and Ukranians follow closely behind the British and French Canadians with 4 percent, 3 percent and 2 percent of the population, respectively. But regional differences are striking. While Germans rank third in Newfoundland, Nova Scotia, Manitoba, Saskatchewan, Alberta, and British Columbia, Italians rank third in Ontario and Quebec.



Manitoba and Alberta are home to a large share of Ukranians, and British Columbia has the largest share of Chinese among the provinces—4 percent. Fifty-two percent of Canadians in the Northwest Territories and 14 percent in the Yukon are considered "Aboriginal Peoples," which include Inuit, Métis, and North American Indians.

Humbling homeland competition—Australia and Canada are more attractive than the U.S. for most Europeans, according to "Are the United States Number One?" a survey by the International Research Institutes in Switzerland.

Only Greeks and Italians would choose the U.S. first if they had to live in a non-European country. At least one in three Austrians, Belgians, Danish, Germans, and Norwegians would explore the Outback.

Old cultural ties remain strong: French and Brits picked Canada as their number one resettlement choice, and most Spaniards chose Brazil. Fewer than 10 percent of Europeans in every country except Greece would move to Japan. Even so, more than 30 percent of Europeans in all 12 countries surveyed by IRIS agreed that the U.S. "would be a pleasant country…to live in."

CITY STATS

WHERE LIFE WILL COST YOU

An American family of four would need to double its income to buy the same goods and services in five of the world's busiest cities. (Average disposable income required for a family of four to maintain the standard of living of a $50,000 income in the U.S.)

Location	*Total annual costs **	*Location*	*Total annual costs **
Tokyo, Japan	$194,323	Frankfurt, West Germany	$75,372
Paris, France	112,977	Amsterdam, Netherlands	74,578
Geneva, Switzerland	110,586	Brussels, Belgium	72,253
London, England	105,552	Mexico City, Mexico	56,952
Hong Kong, Hong Kong	104,027	Toronto, Canada	55,362
Singapore, Singapore	98,522	Standard City, U.S.	50,000†

* ***Note:*** *These costs include housing, transportation, and goods and services for a famly of four, not including taxes.*

† ***Note:*** *This figure includes taxes.*

Source: Expatriate Costs in Popular Destinations, *2/1/88, Runzheimer International, Rochester, Wisconsin, p. 3.*

State International Trade Offices

An important resource in finding overseas marketing information is your state international trade office. Each state has a local office, and most have a sister office abroad. Thirty-two states will do custom research. The major state international trade offices are listed below.

California:
California State World Trade Commission, 1121 L Street, Suite 310, Sacramento, CA 95814, (916) 324-5511 (Offices in Tokyo, Japan and London, England)

Georgia:
Division of Trade, Department of Industry and Trade, P.O. Box 1776, Atlanta, GA 30301, (404) 656-3538 (Brussels, Belgium; Tokyo, Japan; Toronto, Canada; and Seoul, South Korea)

Illinois:
International Business Division, Illinois Department of Commerce and Community Affairs, 100 West Randolph, Suite C-400, Chicago, IL 60601, (312) 917-7164 (Brussels, Belgium; Sao Paulo, Brazil; Hong Kong; Osaka, Japan; and Shenyang, China)

Massachusetts:
Office of International Trade, 100 Cambridge Street, Room 902, Boston, MA 02202, (617) 367-1830

New York:
International Division, Department of Commerce, 230 Park Avenue, Room 2240, New York, NY 10169, (212) 309-0502 (Tokyo, Japan; Wiesbaden, West Germany; London, England; Milan, Italy; and Toronto and Montreal, Canada)

Texas:
International Business Development Department, Texas Department of Commerce, P.O. Box 12728, Austin, TX 78711, (512) 472-5059 (Mexico City, Mexico)

VIDEO BUSINESS TIPS: SMART BUT SOBER TRAVEL

Going International Safely, Going International Film Series, Part 7, Copeland Griggs Productions, 411–15th Avenue, San Francisco, California 94118, (415) 668-4200; 30 min.; $500 corporate, $350 nonprofit.

If an international traveler's chances of facing terrorism are about as great as dying from a dog bite, and far less than drowning in a bathtub, why has Copeland Griggs Productions added **Going International Safely** to its **Going International** video series?

The answer is that terrorism is a threat which people can do something about. And there are many more common "avoidable" threats to travelers identified in the film. Arrest, illness, and natural disaster are some of the frightening possibilities that optimistic travelers rarely envision or prepare for during their foreign stay.

Officially, only 3,000 U.S. citizens are arrested in foreign countries annually. But the real figure is estimated at 10,000, according to Richard Atkins of the International Legal Defense Counsel. People can avoid most of these arrests with some basic knowledge of local law. It is possible, as on-location scenes illustrate, to wind up in jail for overcharging your credit card in Greece, for drinking in Saudi Arabia, or for being hit by a car in Mexico. And the penalty for drug possession in Malaysia is death.

"One out of every ten travelers outside the country will have a significant medical problem," asserts Dr. Michael Cowan, President of the American Aeromedical Corp. Basic tips, he explains, such as bringing twice as much over-the counter and prescription medication as you think you will need, and splitting it up into two places, have saved lives overseas.

By emphasizing what *not* to do abroad, **Going International Safely** picks up where the previous six films left off. Each film addresses one aspect of living and working in a foreign culture, and teaches basic cultural "rules" through humorous anecdotes. Never, for instance, show the soles of your feet to a Saudi businessman, hand him a document with your left hand, or ask about his wife.

In addition to the Going International series (textbook included), Copeland Griggs produces custom-made films and offers seminars on cross-cultural issues.

—Blayne Cutler

Now available on diskette:
The World Bank's World Development Indicators 1987.

Comparable economic and social data for 128 countries are available on double-sided, double-density 5¼" diskettes that can be used with MS-DOS release 2.0 or later. For more information contact World Bank Publications, 1818 H Street, N.W., Washington, D.C. 20433, (202) 473-2939.

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Consumer markets abroad

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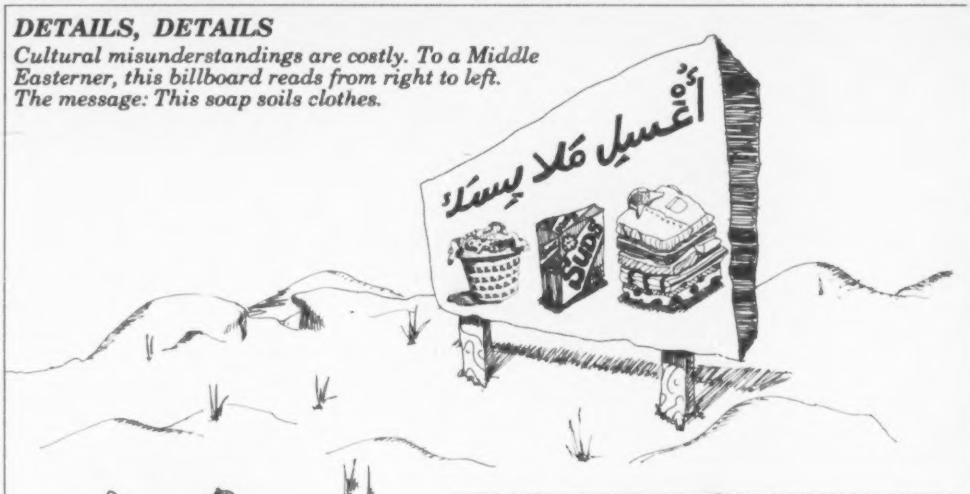
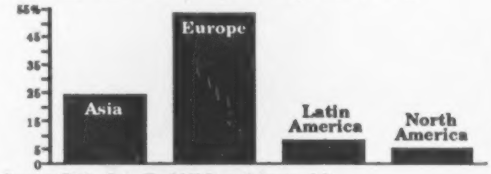
LEARNING CULTURE THE HARD WAY

DETAILS, DETAILS

Cultural misunderstandings are costly. To a Middle Easterner, this billboard reads from right to left. The message: This soap soils clothes.



Traditionally, most cultural business blunders have occurred in Europe. (Business blunders by region, in percent, 1969)



Source: Ricks, D.A., Fu, M.Y.C., and Arpan, J.S., International Business Blunders, Grid, Inc., 1974, p. 69.

International business blunders are costly ways to learn the importance of local culture.

LIFESTYLES AROUND THE WORLD

Reading from left to right or vice versa seems like a harmless cultural distinction between North American and Middle Eastern nations—at least until marketers get involved. For major U.S. exporters, this simple difference can cost money.

Take, for example, one exporter's detergent ad that featured dirty clothes piled on the left, detergent in the center, and clean clothes neatly stacked on the right. Reading right-to-left, the message to a Middle Easterner was clear: Soap soiled the clothes.

Language can play tricks on marketers who don't respond to cultural differences. As more business goes global, the chances for misunderstanding may increase. Business people must examine "not just the spoken or written word, but all the elements of a culture that form a barrier to mutual understanding," says Dr. Seamus Connolly in his 1987 study *Finding, Entering, and Succeeding in a Foreign Market*.

(continued on p. 15)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 5 MAY 1988

WALKING CHILE'S TIGHT-ROPE

As the world digs its way out of a minerals crisis, Chileans try to recoup their losses.

IN DEPTH

Originally "Chile" meant "land where the earth ends." In Spanish it has come to mean "red pepper," a name that aptly describes the country's varied geography and now its dicey economy.

Wedged between the Pacific Ocean and the high peaks of the Andes Mountains, Chile occupies a narrow stretch of land that is 2,650 miles long, nowhere wider than 250 miles, and everywhere prone to earthquakes. Although the country is not much larger than Texas in surface area, it nearly spans the distance from Los Angeles to New York City from its northernmost tip to Cape Horn.

Despite the fact that three climatic zones divide the country, Chileans think their nation is small. With 12.6 million people, according to the most recent Census Bureau estimates, the country is less populated than Brazil, Argentina, Colombia, or Peru.

Politically, Chileans based their institutions on European models. Until the military takeover of 1973, the army rarely interfered in democratic civilian politics. Economically, Chile is as vulnerable as any Third World country. Its dependence on a narrow range of exports goes back to the 19th-century "nitrate war" with Bolivia and Peru, when nitrate mines in Iquique generated export income that Chileans used to buy imported consumer goods instead of investing in industrial development. Such trends continue today, as the country has become extremely reliant on copper exports.

Raw materials, primarily minerals, keep the Chilean economy alive. About 26 percent of the world's copper comes from northern Chile, location of the Chuquicamata mine, the largest copper mine in the world. With the Potrerillos and the El Teniente mines, Chile holds copper reserves estimated at 9.8 billion metric tons. The country's other important mineral resources include iron, molybdenum, silver, and iodine (of which Chile produces 50 percent of the world's output). Although mining activities employ only 2 percent of all working Chileans, the industry accounts for almost 10 percent of the GNP and two-thirds of all export revenue.

Since Salvador Allende's democratically elected government was overthrown in the military coup of 1973, Chile has pursued an "open door" policy toward foreign investment and imports. Law 1748 simplifies administrative procedures and provides tax breaks for foreign investors. Imports are subject to a 3 percent import registration tax and a 20 percent value-added tax. There are free ports in Iquique, Punta Arenas, and some areas of Santiago.

The "open door" policy, however, has not been overwhelmingly successful. Chile's traditional dependence on minerals made the economy extremely vulnerable to the world commodities crisis of the early 1980s. The Chilean recession was probably the deepest in all of Latin America. By 1982, the current account deficit had reached US$4.7 billion. The Chilean peso was devalued by 19 percent; foreign investments fell by 37 percent; about 60,000 firms went bankrupt, including several banks; the GNP actually fell 14 percent, until it ranked eighth in all of Latin America. Today Chile has the world's highest per capita foreign debt—about US$1,700 per person, or over US$20 billion.

Despite the lingering debt problem, the economy began to turn around at the end of 1984. Last year GNP grew by 5 percent. But the recovery may be no more than an official band-aid on deep-rooted problems: According to many observers, the boom is fed mostly by government incentives, at the cost of further indebtedness. That strategy creates a

Consumer markets abroad

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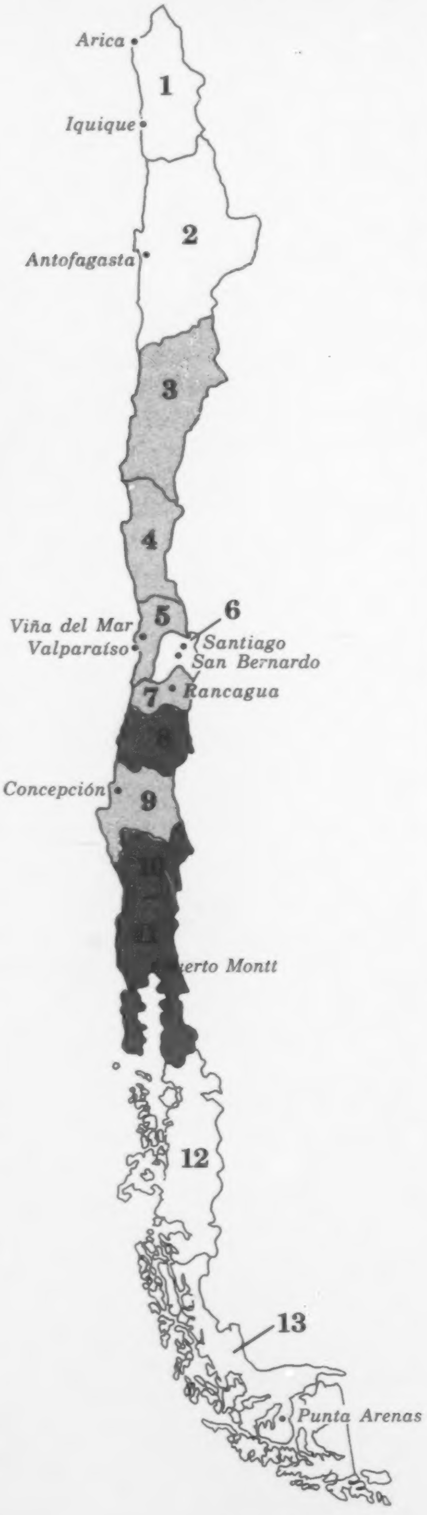
CHILE'S ENDLESS COAST

Chile's 13 major regions are subdivided into 51 provinces and hundreds of local comunas. *Arica is about as far from Puntas Arenas as New York is from Los Angeles.*



Source: *The New International Atlas, Rand McNally, 1982, pp. 242, 244.*

Annual population growth 1970–82

<1.5% ■

1.5–2.5% ▨

>2.5% ☐

REGIONAL RANKINGS

Most Chileans live in the country's central regions, but the north and south are growing fast. (Population by region, 1982 and 1970, and annual percent change in intercensal period)

	Population 1982	Population 1970	Percent change 1970–82
Total	11,275,440	8,884,768	2.3%
1. Terapacá	273,427	175,209	4.7%
2. Antofagasta	341,203	252,119	3.0
3. Atacama	183,071	154,187	1.6
4. Coquimbo	419,178	338,203	2.0
5. Valparaíso	1,204,693	966,609	2.1
6. Metropolitana de Santiago	4,294,938	3,154,765	3.0
7. Libertador General Bernardo O'Higgins	584,989	485,987	1.7
8. Maule	723,224	617,543	1.4
9. Bío-Bío	1,516,552	1,255,393	1.7
10. La Araucanía	692,924	600,499	1.3
11. Los Lagos	843,430	744,610	1.1
12. Aysén del General Carlos Ibañez del Campo	65,478	50,201	2.5
13. Magallanes y de la Antártica Chilena	132,333	89,443	4.0

Source: *"Viviendas y Población, Censos de 1970 y 1982 y Percentaje de Variacion, Segun Regiones y Provincias," XV Censo Nacional de Población y IV de Vivienda 1982, Total del Pais, Tomo I and II, Instituto Nacional de Estadística, Santiago, Chile.*

Chile has the world's highest per capita foreign debt—about US$1,700 per person, or over US$20 billion.

favorable climate for the 1989 election, which is expected to extend the term of General Augusto Pinochet Ugarte, the current head of state.

REGIONS, PROVINCES, AND COMUNAS

With the exception of metropolitan Santiago, all of Chile's 13 major regional divisions stretch from the Pacific coast to the Andes Mountains. These regions are further divided into 51 provinces, which in turn are broken down into local *comunas*.

A *comuna* often corresponds to several towns and villages. In metropolitan Santiago, however, *comunas* define major districts of the city, such as downtown Santiago, Providencia, and Independencia. *Comunas* vary greatly in size: Concepción, the largest, with 273,000 Chileans in 1982, is located in Concepción Province, part of the larger Bío-Bío Region. The smallest *comuna*, Antártica, in the portion of the Antarctic continent claimed by Chile, has a population of only 59 Chileans.

There were 39 people for every square mile in Chile, according to the 1982 census. But the population is distributed unevenly. Most Chileans live in the central regions around metropolitan Santiago, Valparaíso, Libertador General Bernardo O'Higgins, Maule, and Bío-Bío. Greater Santiago alone accounts for 38 percent of the national population. The regions in the extreme north and the extreme south together account for only 9 percent.

As of June 1985, 17 cities in Chile each had more than 100,000 residents. Santiago, with more than 4 million people, is Chile's largest city. Concepción (278,000) and Valparaíso (273,000) are next in line. There are 11 cities with populations of 50,000 to 100,000, and 26 in the 20,000-to-50,000 range.

MOSTLY MESTIZOS

Chile is more racially homogeneous than some of its neighboring countries. Europeans have not migrated to Chile as they have to Argentina and Brazil. About one-quarter of the population are of European (mostly Spanish) descent. German Chileans, who number about 300,000, are a close-knit community. Many live

CITY SPRAWL

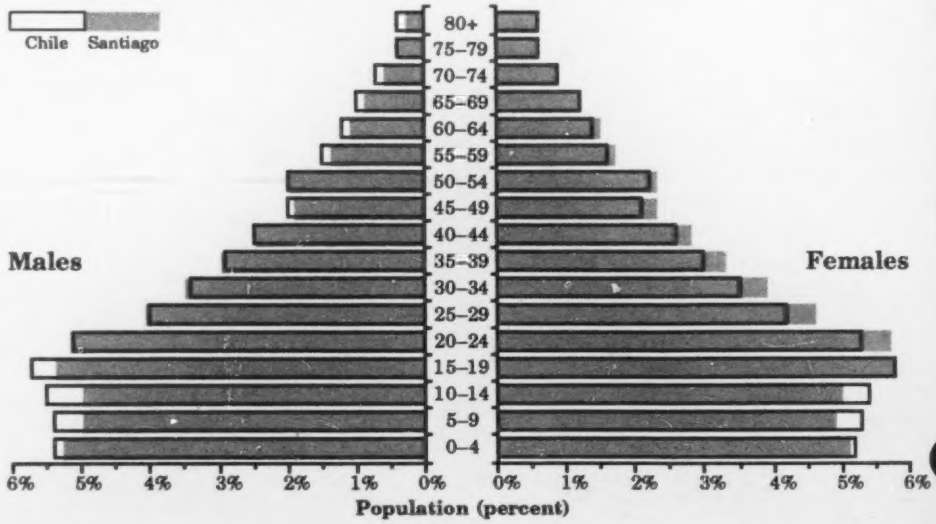
Seventeen cities had at least 100,000 people by 1984. (Total estimated population, in thousands, as of June 30, 1985 and 1984)

	Population	
City	*1985*	*1984*
Antofagasta	200.3	195.3
Arica	155.5	150.3
Chillán	125.4	123.8
Concepción	278.4	274.3
Iquique	125.1	120.4
Osorno	101.0	100.8
Puente Alto	124.6	118.6
Punta Arenas	105.3	101.2
Rancagua	155.2	150.5
San Bernardo	133.8	129.8
Santiago	4,067.0	3,964.0
Talca	136.2	134.8
Talcahuano	215.1	212.1
Temuco	166.2	163.7
Valdivia	104.5	103.9
Valparaíso	273.0	272.4
Viña del Mar	258.4	253.5

Source: *Población Total Estimada al 30 De Junio, Segun Ciudades de 20,000 Habitantes y Mas, 1984–85,* Anuario Demográfico 1985, *table 1.21–05, Santiago, Chile, p. 5.*

LIKE CITY, LIKE COUNTRY

Both Santiago and Chile will age gradually as the century ends. (Population by age group for Chile and Santiago, in percent, 1982)



Source: *XV Censo Nacional de Población y IV de Vivienda, 1982, Instituto Nacional de Estadística, Santiago, Chile.*

around Valdivia and Puerto Montt. They continue to speak German, and some German words have even crept into the Spanish vocabulary.

But a majority of Chileans are *mestizos*, of mixed European and Indian ancestry. Overall, only 5 percent of the total population, mostly those living south of the Bío-Bío River, are of pure indigenous descent.

By Latin American standards, Chile's population has grown only moderately. Relatively low birth rates keep the population from growing as fast as that of Mexico, Venezuela, Colombia, or Peru. Population growth remains at about 2 percent a year, less than the 1950s high of 2.6 percent. According to United Nations projections, Chile will have more than 14 million people by 2000.

Chilean life expectancy increased from 66 years in 1975 to 68 years in 1984. The country has one of the highest life expectancies in Latin America.

Urban areas are growing faster than the country as a whole. By 1982, Chile's population was 82 percent urban, making it the third most urbanized country in Latin America, after Uruguay and Argentina. But urban growth has slowed from a peak of 4 percent a year between 1952 and 1960 to 2.8 percent a year during the most recent intercensal period, 1970 to 1982. Provincial growth rates between these two census years varied from 4.6 percent per year in Parinacota to -0.1 percent per year in Cardenal Caro. Predominantly rural provinces include Parinacota, Cardenal Caro, Linares, and Chiloé.

Most migrants go to Greater Santiago. Between 1977 and 1982, 278,000 immigrants entered the metropolitan area, and 122,000 left. Most came from neighboring regions, such as Bío-Bío, Valparaíso, and Maule, and 33,000 people came from abroad. Bío-Bío lost a net of 47,000 people during those years.

The metropolitan region of Santiago, which contains the city of Santiago, grew fastest in the 1950s, with an average growth rate of 3.9 percent per year. Between 1970 and 1982, Santiago grew 2.6 percent a year, making it one of the slowest-growing major cities of Latin America. By 2000, 89 percent of Chile's population will live in urban areas, 36 percent in Greater Santiago alone.

GOING TO THE CHAPEL

Chilean households are not large compared to households in other

According to United Nations projections, Chile will have more than 14 million people by 2000.

INCOME SEESAW

Santiago's wealthiest 10 percent make four times the average income, but the poorest 10 percent make less than one-fifth the average income. (Monthly average income by decile, in constant 1985 US dollars, 1982–84)*

Income decile	*1984*	*1983*	*1982*
One (highest)	$231.30	$159.90	$214.20
Two	89.80	67.50	93.10
Three	56.90	43.80	59.00
Four	42.50	30.80	43.30
Five	32.70	23.80	33.50
Six	27.50	20.10	29.10
Seven	21.00	16.00	22.70
Eight	16.10	12.30	17.20
Nine	13.60	11.10	15.00
Ten (lowest)	8.00	6.70	8.10
Average†	$53.90	$39.20	$53.50

** **Note:** Incomes converted to 1985 U.S. dollars using the 1985 exchange rate of 161.08 pesos per dollar.*
*† **Note:** Average calculated as the arithmetic mean of the income values of the ten deciles.*

__Source:__ Riveros, L. and Labbe, F., "Per Capita Family Income: Greater Santiago," table 25.

Housing is a problem in Chile, even though the country is adding 40,000 new units per year.

Latin American countries. Average household size dropped from 4.8 persons in 1970 to 4.5 persons in 1982. Households range in size from 2.8 people in Parinacota Province to 5.1 people in Arauco Province.

The country is young but growing older: The median age was 22.9 years in 1982. Since growth is relatively slow, the United Nations projects that the median age will rise to 29.1 years by 2000. While only 6 percent of the total population are aged 65 or over now, that share should rise to 7 percent by 2000.

Nearly 3 million Chileans aged 15 and older are single. About 4 million are married, and 423,000 are widowed. Common-law marriages are rarer in Chile than in some neighboring countries—only 262,000 people identified themselves as being in such a union in 1982. Separations and divorces are also relatively uncommon, though increasing: Nearly 210,000 people called themselves divorced or legally separated in the last census.

Divorce remains low in Chile because of Catholicism. While the country has no official religion, estimates of the Catholic population vary from 61 to 95 percent of all Chileans.

BREAKING OUT OF POBLACIONES CALLAMPAS

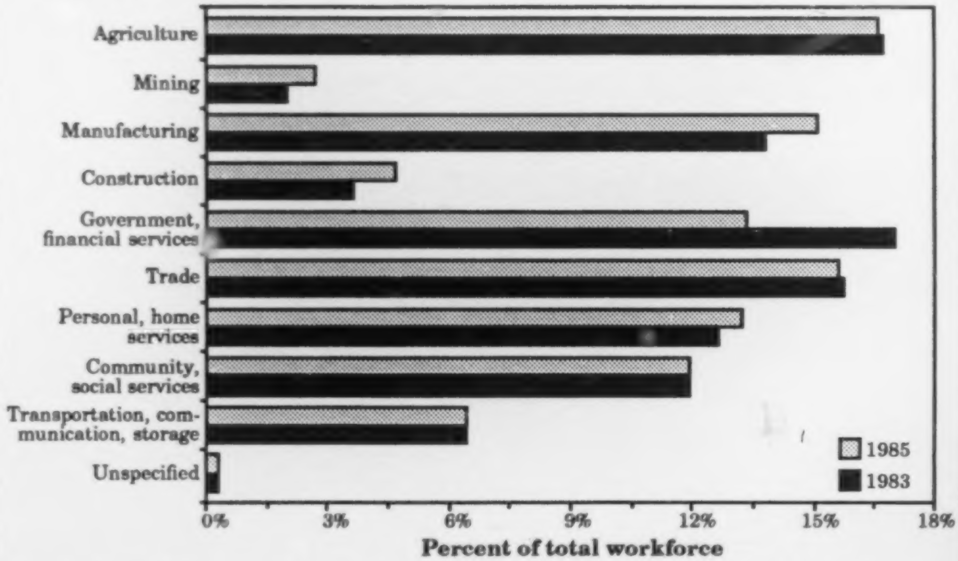
Housing is a problem in Chile, even though the country is adding 40,000 new units per year. As in most Latin American countries, many people are too poor to enter the formal housing market. They live in slums, called *poblaciones callampas.*

Sanitation in Chile is improving. In 1982, the percentage of families with access to piped water was 88 percent, up from an estimated 66 percent in 1977.

Strong regional differences in sanitation facilities still exist, especially in the rural areas. Urban access to piped water varied from 86 percent in Libertador General Bernardo O'Higgins to 97 percent in metropolitan Santiago, but rural access ranges from 12 percent in La Araucanía to 56 percent in Magallanes y de la Antártica Chilena. Among the poor-

WHERE THEY WORK

Manufacturing, mining, and construction gain workers as the economy rebounds from the 1983 economic crisis. (Percent of workforce employed by sector, 1985 and 1983)



Source: Extebank, Banca Exterior de España, July 1986, Carrera de San Jerónimo, 36-Madrid-14, Spain, p. 3.

est 20 percent of the rural population, piped water reaches only 7 percent.

HOLDING ON TO LITERACY

Chile is considered one of the most literate nations in Latin America. Adult illiteracy has decreased from 9 percent in 1975 to just over 5 percent in 1984. There are, however, significant differences by age and region.

Overall, 8 percent of Chileans over age 10 were illiterate in 1982, but in urban areas less than 6 percent were illiterate, while in rural areas 20 percent were. Of the population over age 15, seven percent had no formal schooling. About one-quarter of Chilean adults (over age 15) had four to six years of formal schooling, and one-quarter had seven to ten years. As many as 25 percent had more than ten years of formal education.

School enrollments have declined slightly in the past several years. The number of students in elementary schools, for example, dropped from 2.4 million in 1979 to 2.1 million in 1984, and in secondary schools from 643,000 in 1982 to 637,000 in 1984. Some experts tie this trend to the economic crisis of the early 1980s, though government expenditures on education increased from US$445 million in 1979 to US$510 million in 1984 (in 1976 dollars).

The National University of Chile and the Catholic University of Chile are the country's principal institutions of higher education. Both are located in Santiago. Overall, there were 119,000 university students in 1982. Fully 72,000 were men, and 47,000 were women.

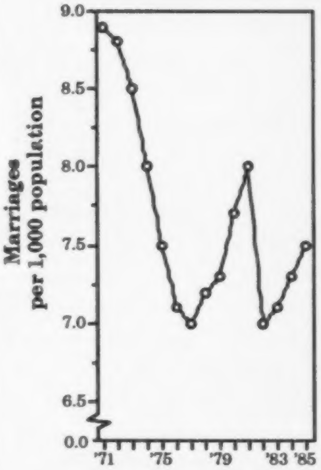
ALL THAT GLITTERS IS NOT COPPER

Although Chilean manufacturers do not bring in the export pesos that minerals do, those industries account for about 20 percent of GNP. The most promising industries include wood products, metals, textiles, and chemicals.

The industrial heartland, including the provinces of Santiago, Valparaíso, and Concepción, is home to over 70 percent of all industry. Santiago alone accounts for half of Chilean industry. Concepción, which has surpassed Valparaíso as Chile's second city, is important for its coal mines and steel factories. Punta Arenas, the southernmost city in the world, is historically known for its wool, but recently the city has be-

FICKLE FOR MARRIAGE

Marriage rates in Chile have fluctuated since 1971, but are generally falling. (Marriages per 1,000 population, 1971–85)



***Source:** "Tasas de Natalidad, Mortalidad, Nupcialidad, Mortalidad Infantil, Neo-Natal y Mortinatalidad, 1955 to 1985," table 1.2.2–02,* Anuario Demográfico 1985, *Instituto Nacional de Estadística, Santiago, Chile, p. 7.*

CHILE AND SPAIN COMPARED

Although Chile's per capita GDP falls short of Spain's, literacy rates are nearly equal. (Development indicators for Spain and Chile, units in parentheses, 1980–85)

Indicator	*Spain*	*Chile*
Per capita gross domestic product, 1984 (dollars)	4,192	1,615
Per capita energy consumption, 1983 (kilo oil equivalent)	1,858	755
Per capita steel consumption, 1982 (kilogram/person)	226	47
Vehicles per 1,000 inhabitants, 1982	220	49
Television sets per 1,000 inhabitants, 1982	256	113
Newsprint consumption, 1982 (kilogram/person)	6	6
Adult literacy rate, 1985 (percent)	94	95*
Hospital beds per 1,000 inhabitants, 1980 (number)	5†	3
Protein consumption, 1980–82 (grams/day)	95	73
Daily per capita supply of calories, 1982 (percent of real needs)	136	109

** **Note:** 1984*
*† **Note:** 1979*

***Source:** World Bank,* Report on World Development 1985, *Washington, 1985; U.N.,* Statistical Yearbook, 1982, *New York, 1985; UNESCO,* Statistical Yearbook, 1985, *Louvain, 1985; FAO,* Production Yearbook, 1984, *vol. 38, Rome, 1985; OECD,* Economic Studies of Spain, *Paris, April 1986; EIU,* International Economic Appraisal Service, *London, June 1986, all in Extebank, Banco Exterior de España, July 1986, Carrera de San Jerónimo, 36-Madrid-14, Spain, p. 2.*

WHO BUYS FROM CHILE?

As a group, European countries buy the largest share of Chilean goods; but as a single-country purchaser, the U.S. buys more than anyone else. (Exports and imports by region, in percent, 1985)

	Export	*Import*
Total	100.0%	100.0%
Europe	37.7%	24.1%
W. Germany	9.6	6.9
France	3.7	3.5
U.K.	6.4	2.8
North America	25.1	23.7
Canada	2.0	2.0
U.S.	23.1	21.8
Latin America	14.6	26.2
Argentina	2.2	3.5
Brazil	5.6	8.3
Asia	20.5	12.2
Japan	10.1	6.3
Middle East	2.0	2.7
Africa and others	0.1	11.1

Note: Total exports and imports for 1985 were $3,796 and $3,007 million, respectively.

Source: Central Bank of Chile, Annual Report, *various issues, Santiago, in Extebank, Banco Exterior de España, July 1986, Carrera de San Jerónimo, 36-Madrid-14, Spain.*

come a center for oil exploration. Viña del Mar, the sister city of Valparaíso, is a major holiday resort.

Agriculture contributes only about 7 percent to the GNP, and it suffered large setbacks during the 1982–83 economic crisis. Only 12 percent of Chilean land is used for farming. Twenty-nine percent is poor quality, and 37 percent is natural meadow. Major crops include cereals, fruits, tobacco, onions, beans, and, increasingly, rice. Chilean wine is highly valued in and out of Latin America.

Work was hard to find during the recent economic crisis. Unemployment neared 30 percent in 1982. But the situation had improved by 1985, when unemployment fell to about 13 percent. Still, two governmental work programs employed nearly a half million workers in 1983. Female labor force participation is about average by Latin American standards—28 percent of adult women worked in 1982. That figure was 34 percent in metropolitan Santiago.

THE MONEY PYRAMID

As in most Latin American countries, Chilean incomes are unequal. In 1984, the richest 20 percent of metropolitan Santiago residents made about 15 times as much money as the poorest 20 percent.

Ownership of consumer durables grew fast during the 1970s. Car ownership increased from 25 cars per 1,000 people in 1975 to 49 per 1,000 by 1982. The estimated number of radios and TV sets in 1984 was 17 million and 2.6 million, respectively. There were 306 radio and 112 local television stations.

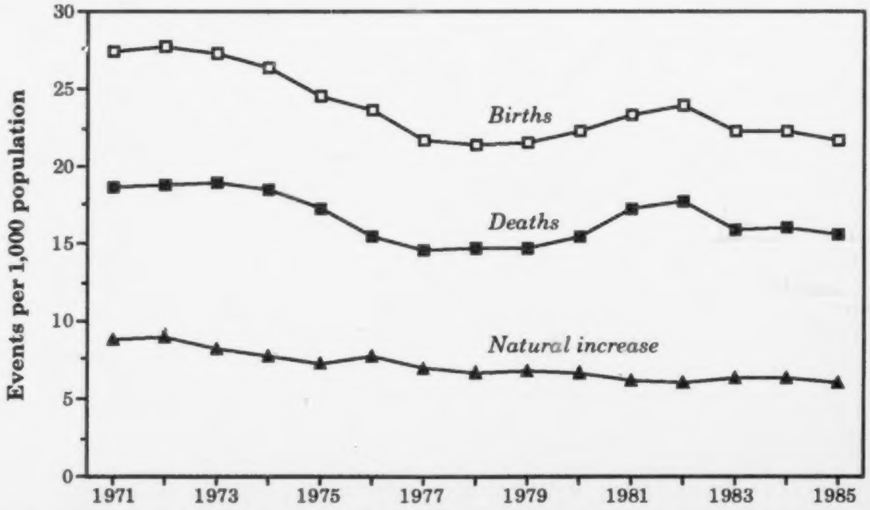
Infrastructure is improving slowly. In 1983 there were 620,000 passenger cars and 257,000 commercial vehicles in use. The 5,300-mile-long railway network, which extends from Arica to Puerto Montt, recorded 900 million passenger-miles in 1984, only slightly fewer than the one billion passenger-miles recorded by airlines. But only 6,000 of 50,000 miles of Chilean roads are paved.

SOURCES

The fifteenth Chilean census, taken in April 1982, took no less than five years to process and publish. It is

LIFE CYCLES

Chile's falling birth rate helps to bring down the natural rate of population increase. (Births, deaths, and natural rate of increase, 1971–1985)



Source: "Tasas de Natalidad, Mortalidad, Nupcialidad, Mortalidad Infantil, Neo-Natal y Mortinatalidad, 1955 to 1985," table 1.2.2–02, Anuario Demográfico 1985, *Instituto Nacional de Estadística, Santiago, Chile, p. 7.*

now available from the Instituto Nacional de Estadística (INE), Avenida General Bulnes 418, Santiago. The INE also issues several annual statistical publications, such as the *Anuario Estadístico,* the smaller *Compendio Estadístico,* and the *Anuario Demográfico.* Employment and income surveys are published regularly by both the INE and the Economics Department of the Universidad Nacional de Chile, Campus Andrés Bello, Rancagua 257, torre 26, Santiago.

The United Nations Demographic Center for Latin America (CELADE), Casilla 91, Santiago, has an extensive database on Chile, as well as other Latin American countries.

For business and current economic information, consult the monthly bulletin of the Banco Central de Chile, Augustinas 1180, Santiago, or the Chilean Embassy, 1732 Massachusetts Ave., N.W., Washington, DC 20036; telephone (202) 785-1746.

—Ralph Hakkert
Belo Horizonte, Brazil

PROVINCIAL POPULATIONS

Some provinces are still quite rural, such as Parinacota, Palena, and Cardenal Caro.
(Percentage urban and mean household size of Chilean provinces, 1982)

Provinces	*Percentage urban*	*Mean household size*
Total	82.2%	4.49
Tarapacá		
Arica	94.7%	4.86
Parinacota	20.8	2.83
Iquique	95.1	4.27
Antofagasta		
Tocopilla	99.0%	3.89
El Loa	97.9	4.16
Antofagasta	98.9	4.34
Atacama		
Chañaral	97.4%	3.49
Copiapó	94.9	3.90
Huasco	82.1	3.84
Coquimbo		
Elqui	88.8%	4.54
Limarí	56.0	4.15
Choapa	56.9	4.15
Valparaíso		
Petorca	72.7%	3.70
Los Andes	74.2	4.37
San Felipe de Aconcagua	73.7	4.52
Quillota	79.7	4.17
Valparaíso	98.2	3.78
San Antonio	89.5	2.08
Isla de Pascua	100.0	3.49
Metropolitana de Santiago		
Santiago	99.5%	4.59
Chacabuco	68.3	4.49
Cordillera	89.5	4.93
Maipo	77.4	5.01
Melipilla	56.4	4.87
Talagante	79.8	4.42
Libertador General Bernardo O'Higgins		
Cachapoal	70.5%	4.89
Colchagua	54.8	4.99
Cardenal Caro	35.0	3.37
Maule		
Curicó	53.4%	4.87
Talca	65.4	5.04
Linares	46.6	4.99
Cauquenes	56.9	3.97
Bío-Bío		
Ñuble	56.4%	4.76
Bío-Bío	60.2	4.79
Concepción	94.3	4.78
Arauco	66.1	5.13
La Araucanía		
Malleco	59.4%	4.62
Cautín	55.9	4.58
Los Lagos		
Valdivia	60.7%	4.71
Osorno	64.7	4.70
Llanquihue	61.0	4.75
Chiloé	39.7	4.52
Palena	31.2	4.45
Aysén del General Carlos Ibañez del Campo		
Coyhaique	80.8%	4.39
Aysén	81.1	3.95
General Carrera	55.1	3.27
Capitán Prat	58.6	2.93
Magallanes y de la Antártica Chilena		
Última Esperanza	82.0%	3.49
Magallanes	92.7	4.02
Tierra del Fuego	80.9	3.85
Chilean Arctic	77.2	3.89

Sources: *XV Censo Nacional de Población y IV de Vivienda, 1982, Tomo I, Instituto Nacional de Estadística;* Anuario Demográfico 1985, *Instituto Nacional de Estadística, Santiago, Chile.*

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THE NEW MUNICH: SILICON, SAUERKRAUT, AND BREWERIES

U N D I S C O V E R E D   M A R K E T S

Bratwürste consumption at Munich's Oktoberfest was 11 percent higher in 1986 than in 1985. For the bustling capital of Bavaria, it's just another sign of the times.

The southern mecca of West German culture and education, Munich is reaping the benefits of a high-tech revolution "Silicon Valley" style. Some see the "chic city" as West Germany's answer to Boston with just a touch of "Dynasty" drama.

"Munich was untouched by the war," says Helenore Kohler of the German Information Center. "West Germany's jet set lives in Munich—it is considered a chic city."

What keeps this reputation alive for the metropolitan area's 1.3 million residents? Skilled work and good schools are two of the main reasons that Munich has more people coming than going. Since 1984, unemployment (which has hit West Germany hard throughout the decade) is consistently lower in Munich than in the rest of the country. While 9 percent of all West German workers could not find jobs in 1986, only 6 percent of Munich workers were unemployed.

Within Munich, 36 districts vary greatly in size, density, age, and household type. The densest districts, such as Maxvorstadt–Josephsplatz and Schwabing–West, have more than 250 people per hectare and are located in the heart of the metropolitan area. Districts such as Lochhausen–Langwied and Aubing have fewer than ten people per hectare. But the most populous districts are not necessarily the densest. Schwabing Nord–Millbertshofen–Am Hart and Ramersdorf–Perlach, for example, have more than 80,000 people each.

Central Munich is losing young families to the most spacious outlying

DISTRICT AGE RINGS

West-central and southern districts, such as Neuhausen-Moosach and Laim, are the oldest.
(Munich districts by total population and by share aged 65 and over, 1987)

District	*Total population*	*Share 65+*
1. Lochhausen–Langwied	5,194	13.7%
2. Allach–Untermenzing	24,400	14.4
3. Aubing	28,346	10.9
4. Obermenzing	20,354	15.0
5. Pasing	41,919	16.7
6. Feldmoching–Hasenbergl	50,418	13.1
7. Neuhausen–Moosach	67,320	16.1
8. Neuhausen–Nymphenburg	43,570	20.9
9. Laim	51,145	19.9
10. Hadern	42,960	13.5
11. Waldfriedhofviertel	47,881	17.3
12. Sendling	36,195	14.7
13. Thalkirchen–Obersendling–Forstenried–Fürstenried	56,751	15.3
14. Solln	26,913	11.8
15. Schwabing Nord–Milbertshofen–Am Hart	98,157	13.0
16. Neuhausen–Oberwiesenfeld	24,658	15.3
17. Schwabing–West	32,234	13.1
18. Maxvorstadt–Josephsplatz	19,439	15.0
19. Maxvorstadt–Königsplatz–Marsfeld	19,036	11.4
20. Maxvorstadt–Universität	11,628	11.9
21. Lehel	13,606	16.8%
22. Schwanthalerhöhe	26,997	12.4
23. Ludwigsvorstadt	12,178	10.4
24. Altstadt	10,962	14.4
25. Isarvorstadt–Schlachthofviertel	15,319	10.4
26. Isarvorstadt–Glockenbachviertel	19,351	14.8
27. Isarvorstadt–Deutsches Museum	8,475	12.1
28. Au	22,255	17.2
29. Untergiesing–Harlaching	48,491	19.7
30. Obergiesing	44,115	18.4
31. Schwabing–Freimann	58,950	15.9
32. Bogenhausen	69,374	15.2
33. Haidhausen	35,337	14.4
34. Berg am Laim	32,887	16.4
35. Ramersdorf–Perlach	89,276	12.0
36. Trudering	35,305	13.3

Source: *"Die Altersgruppen de Bevölkerung nach Stadtbezirken,"* Statistsches Jahrbuch München 1987, *1987, Statistischen amt der Landeshauptstadt München, p. 28.*

districts, and the age distribution of the metropolitan area reflects this shift. Eighteen percent of people in Ramersdorf–Perlach, Solln, and Aubing are under age 18. In contrast, one in five people in Neuhausen–Oberwiesenfeld is aged 65 or older. The largest families also live on the city's edge. More than 10 percent of households in Aubing and Lochhausen–Langwied have four members or more. Those districts also have the smallest share of people living alone—fewer than 55 percent.

Small electronics and computer firms have become the mainstay of the Munich economy. In 1986 there were 77 electronics firms in the metropolitan area employing a total of 54,000 workers, or one-third of all employees in manufacturing firms with 20 or more workers.

Of the total labor force, manufacturing enterprises employ one-third of all workers. One-quarter of Munich laborers work in nonprofit organizations, and 15 percent work in transportation and communication. The government, energy, and agricultural sectors each employ fewer than 3 percent of the workforce.

As in West Berlin, foreigners are a large part of Munich's working-age population. Thirteen percent of Munich's 854,000 workers were foreign in 1986. Most of these guest workers are Yugoslavs and Turks—35,000 and 24,000, respectively.

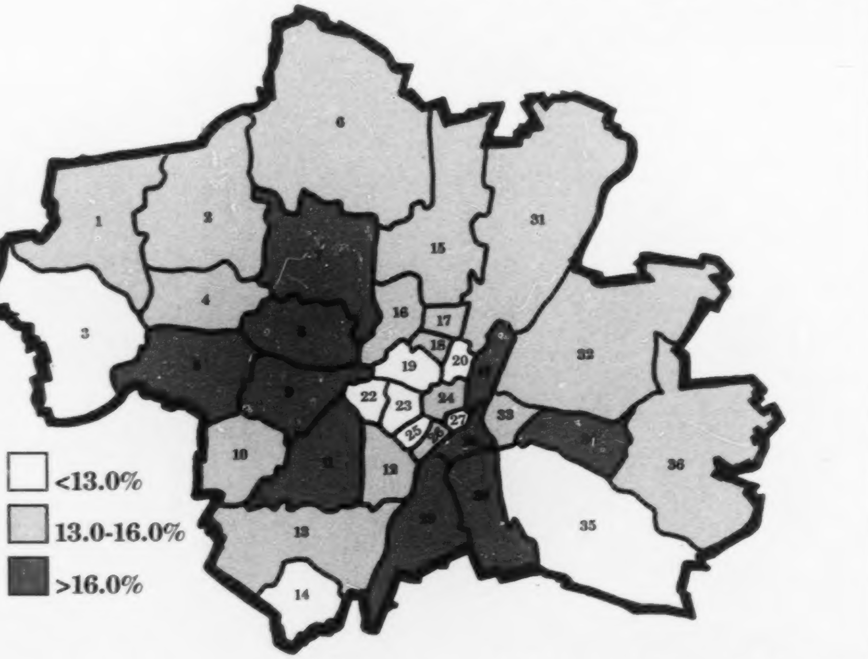
With renewed economic vibrancy, the city hosts numerous trade fairs for industries ranging from fashion to computers. In fact, more people visited Munich as trade-fair guests in 1986 than live in the metropolitan area.

But perhaps nothing overshadows Munich's prominence as the beer capital of Bavaria, and by logical extension, of West Germany. The metropolitan area is home to seven breweries.

—*Blayne Cutler*

URBAN GEOGRAPHY

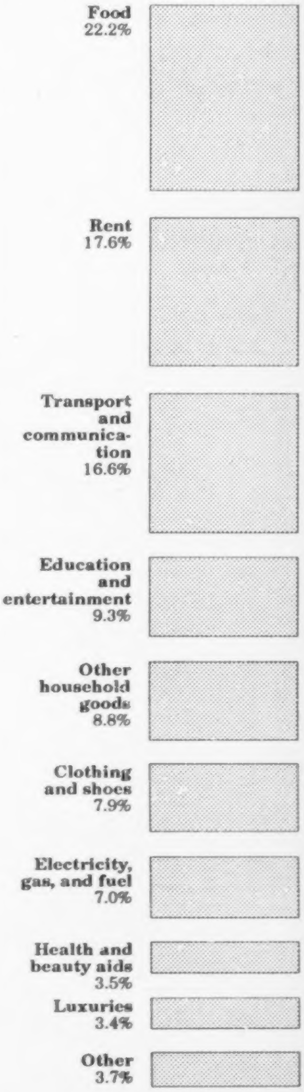
"Older" districts in Munich also have smaller households.
(Munich districts by share of population aged 65 and over, 1987)



Source: "Die Altersgruppen de Bevölkerung nach Stadtbezirken," Statistsches Jahrbuch München 1987, *1987, Statistischen amt der Landeshauptstadt München, p. 28.*

BUYING IN BAVARIA

Nearly one-quarter of the Bavarian budget is spent on food.
(Monthly expenditure by category for average-income, urban four-person households, as percent of total budget, 1985)



Source: "Bayerisches Landesamt für Statistik und Datenverarbeitung," Statistisches Jahrbuch München 1987, *1987, Statistschen amt der Landeshauptstadt München, p. 150.*

GLOBE TROTTERS

Canada, Japan, and the U.S. lead the world in tourist dollars spent, but more people are traveling to Asia than ever before.

PRODUCT COMPARISON

In the world of travel, outer space is about the only place travel agents don't book. The most recent numbers show that travel is one of the fastest growing industries in the global service sector.

International travel grew an average of 2.7 percent a year from 1980 to 1985. Most travelers go to Europe, but growth in tourist travel to that region slowed considerably during the early 1980s. Travel to East Asia is growing rapidly, increasing by 7.2 percent a year during the first half of the decade. In contrast, travel to North America declined by 1.1 percent.

An estimated 28 million visitors came to the United States in 1987—43 percent came from Canada and 20 percent from Mexico. European travelers accounted for 16 percent of U.S. arrivals, and 11 percent came from the Pacific. Only 3 percent of the travelers were South American.

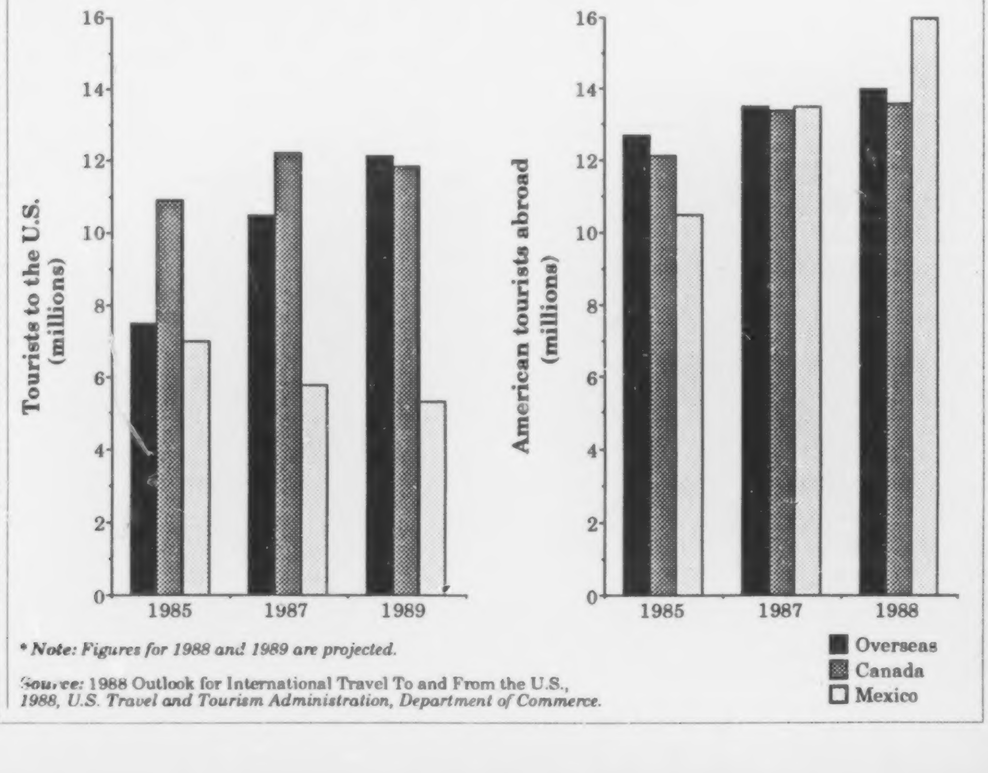
Americans' insatiable thirst to see the world costs more than what foreigners spend here. In 1986, the average foreign visitor to the United States spent a total of $627, while the average American spent $650 abroad. Last year the U.S. travel deficit totaled $10 billion, and it is projected to reach $12 billion by the end of this year.

Japan is one of only two countries that spends more travel dollars here than Americans do there. Of all overseas tourists, more Japanese come to the U.S. than any other group. More than 2 million Japanese visited the U.S. last year, and as many as 2.6 million are projected to arrive this year.

During the first six months of 1987, about one million Japanese tourists spent US$1 billion in the U.S., 33 percent more than during

TOURIST DEFICIT

American travelers abroad will continue to outnumber foreign visitors to the U.S. (Foreign visitors to the U.S. by region of origin, in millions, 1984–89, and Americans abroad by region of destination, in millions, 1984–88*)*



** Note: Figures for 1988 and 1989 are projected.*

Source: 1988 Outlook for International Travel To and From the U.S., *1988, U.S. Travel and Tourism Administration, Department of Commerce.*

the same period in 1986. The Japanese tourist spends more per person than any other nationality when visiting the U.S. In 1986, the average Japanese visitor spent $92 a day; a typical ten-day tour costs $4,000, including travel costs.

But many Japanese restrict their U.S. visit to Guam or Hawaii. In fact, only half venture to the U.S. mainland, and only about one in five reaches the East Coast. What do the Japanese tourists who venture to New York City want to see? Not what you might think. While the Statue of Liberty and the Empire State Building remain popular attractions, *Oh! Calcutta!*, the bawdy play that is the longest-running show on Broadway, sells nearly 10 percent of its seats to Japanese banks.

Women are the fastest-growing group of Japanese travelers. Less bound to family and home than ever before, young professional women are touring the United States en masse. Women accounted for 44 percent of all Japanese tourists in 1986, up from 35 percent a year before.

TOURIST ATTRACTION

The United States will attract more overseas visitors next year. Canadian and Mexican tourism may decline. (Tourist arrivals to the U.S., 1987, 1988 (projected), and 1989 (projected), in millions, and percent change, 1988–89)

	Tourist arrivals (millions)			
		Projected		*Percent change*
Origin	*1987*	*1988*	*1989*	*1988–89*
Total	28.40	28.95	29.31	+1%
Canada	12.17	11.86	11.86	0%
Mexico	5.78	5.55	5.32	–4
Overseas	10.45	11.55	12.13	+5
Europe	4.63	5.14	5.40	+5
U.K.	1.36	1.56	1.69	+8
Germany	.94	1.07	1.13	+6
France	.55	.58	.59	+2
Italy	.33	.35	.35	+2
Netherlands	.20	.21	.21	+4
S. America	.99	1.00	1.02	+2
Asia/Mideast	3.05	3.56	3.73	+5
Japan	2.14	2.62	2.78	+6
Oceania	.39	.41	.41	+1
Australia	.25	.27	.28	+4
Other overseas	1.40	1.45	1.52	+5

Source: 1988 Outlook for International Travel To and From the U.S., *1988, U.S. Travel and Tourism Administration, Department of Commerce.*

To help offset Japan's trade surplus, the Japanese government has instituted the "Ten Million Program," which encourages people to travel abroad. The official goal is to expand international travel from 5.5 million departures in 1986 to 10 million by 1992. Such an increase would boost the share of internationally traveling Japanese to 8 percent, still below the British, West German, and American shares of 39 percent, 34 percent, and 12 percent, respectively.

Despite the growth in Japanese tourism, Canada still sends the largest number of visitors to the United States—12.2 million last year. But that number is expected to drop this year to 11.9 million.

Canadians stay longer and consequently spend more than do Americans who travel north. The average Canadian stays seven or eight nights in the States on each visit, a figure that has remained remarkably constant during the past decade.

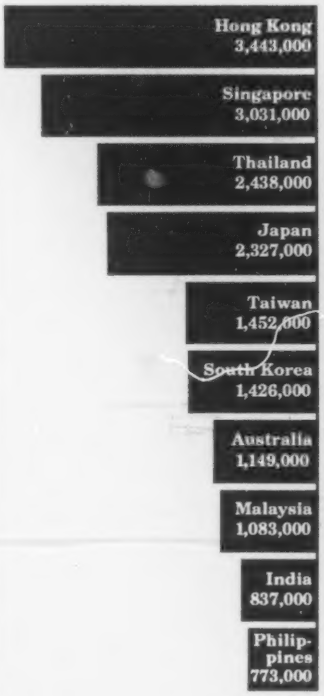
An estimated 41 million Americans traveled to a foreign country last year despite the falling dollar. Roughly one-third traveled north to Canada, and one-third went south to Mexico. American travelers to Mexico are expected to outpace travelers to Canada for the first time this year. Of the projected 44 million Americans who will travel to a foreign country, about 16 million will visit Mexico.

While some observers point to the weak U.S. dollar as a boost to the travel industry, the effects of such a shift are really mixed. Cheaper dollars do bring more foreign visitors to the States, but they also make international travel for Americans a much costlier proposition.

—*Linda Newcomb*
Hampton University

ASIAN HOTSPOTS

Hong Kong and Singapore are the most popular Asian destinations for tourists. (Arrivals in 1985 to the ten most visited Asian countries)



Source: Pacific Asia Travel Association, in "Pacific Asia: The Mass Market in Travel," February 1988, The Cornell Hotel and Restaurant Administration Quarterly, *vol. 28, no. 4, p. 85.*

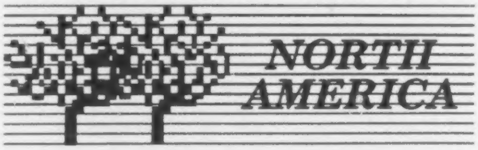
REGIONS: CONSUMER TRENDS AROUND THE WORLD

EUROPE

If you get sick in Poland, plan on a long hospital stay. The Department of Health and Human Services reports that Polish people of all ages spend twice as much time in hospitals as Americans do.

According to the H.H.S. report *Hospital Use in Poland and the United States*, Polish people aged 65 to 84 can expect to remain bedridden for an average of 12 more days than Americans of the same age. Polish men of all ages stay in hospitals longer than Polish women, averaging 18 days compared to 15 days for women, and Polish men are cooped up 10 days longer than American men. Polish women only stay 8 days longer than American women.

For more information on patient care in Poland, contact the U.S. Department of Health and Human Services, Public Health Service, Centers for Disease Control, National Center for Health Statistics, Hyattsville, MD 20857.



NORTH AMERICA

When Canadian women want the day off, they ask themselves. Statistics Canada's *Summary Tabulations of Labour Force, Mobility and Schooling* reveals that the number of self-employed women grew by 30 percent from 1981 to 1986.

While 27 percent more women took their own advice on the job, only 7 percent more men became self-employed in the same period. The share of women bosses also grew fast. In 1986 there were 30 percent more female employers than in 1981, while there were only 11 percent more men giving the orders during that period.

Even with these changes, men were three times more likely to work for themselves than women in 1986.

To learn more about who's the boss in Canada, contact Statistics Canada, Advisory Services, 10th Floor, Arthur Meighen Building, 25 St. Clair Avenue East, Toronto, Ontario, M4T 1M4.

ASIA/ PACIFIC

***If* you think a home in suburbia with a white picket fence and a well-tended garden is only the American Dream, ask the Japanese.**

Last year more than two-thirds of all urban Japanese wanted to "live in a single-family home with a garden in the suburbs even if it results in certain inconveniences," according to the *Public Opinion Poll on Housing and Housing Land in Large Urban Areas*, a study from the Prime Minister's Office. The share of Japanese who felt this way grew from 63 percent in 1978 to 69 percent in 1987.

For more information, contact JETRO, New York, 1221 Avenue of the Americas, New York, NY 10020.

INTERNATIONAL DEMO MEMO

Price per gallon of full-service, super gasoline a driver pays in:

Prague, Czechoslovakia	**$6.19**
Caracas, Venezuela	**$0.18**

***Note:** Prices in 1987 US$ as of September 1987.*
***Source:** Runzheimer International, Runzheimer Park, Rochester, WI, 53167; (414) 534-3121.*

(*Learning culture*, *continued from p. 1*)

More than three-quarters of the world's population live outside the "Western" world. International trade to countries with Buddhist, Muslim, and Hindu traditions is on the rise. Although more than 3,500 U.S. multinational corporations, 30,000 export manufacturers, 25,000 companies with overseas affiliates, and 40,000 stand-alone firms operate abroad, only culturally sensitive operations stand a good chance for success.

The most frequent business blunders fall into six categories, according to David Ricks' study *Mistakes in Multinational Marketing*. "Adaptation" mistakes involve products and packaging; "name" mistakes involve unintended hidden meanings; "promotion" mistakes involve timing, strategy, and personnel choices. In addition, "translation" mistakes involve the unintended meaning of idioms; "strategy" mistakes involve supply decisions, pricing, or partner choices; and "market research" mistakes involve poor feasibility studies.

Marketing blunders account for 41 percent of all international business errors, according to *International Business Blunders*, a study by Ricks, Marilyn Fu, and Jeffrey Arpan. One in four mistakes is management-related, and about one in five has to do with personnel. Production, finance, and legal errors are all minimal.

Consumer-product industries show the highest rate of cultural misunderstanding. One out of every five business blunders occurs in the food, beverage, and tobacco industries. Thirty-seven percent of all mistakes take place in other manufacturing enterprises. In contrast, only 5 percent of all errors take place in the chemicals industry. "Consumer-oriented products run a higher exposure to more subtle cultural differences than do raw materials and other more standardized products.... Thus if the product marketed is consumer-oriented, sold in a quite different cultural area, and insufficient marketing research is conducted, a high risk of blundering could be expected," say Ricks, Fu, and Arpan.

Geographically, half of all blunders occur in Europe, and one-quarter occur in Asia. Only one in ten misunderstandings arises in Latin America, and, surprisingly, only one percent of all mistakes are in Africa. In general, marketing and management blunders occur in Asia and Europe, and personnel errors occur in Europe.

The clearest examples of cultural misunderstanding involve poor word choices. The following catastrophic selections show how costly simple business blunders can become:

- **Brazil:** A U.S. airline advertised its Boeing 747 "rendezvous lounges" without realizing that "rendezvous" in Portuguese implies prostitution.
- **China:** Kentucky Fried Chicken's slogan "Finger lickin' good" does not have a poetic Chinese translation; literally, it means "So good you suck your fingers."
- **Puerto Rico:** General Motors had difficulties advertising the Chevrolet Nova because the name sounds like the Spanish phrase "no va," meaning "it doesn't go."
- **Thailand:** "Come Alive with Pepsi" in Thai became "Bring your ancestors back from the dead with Pepsi."

Research and training can minimize the international foot-in-mouth syndrome. Language study, listening skills, market research, and a long-term strategy can go far toward minimizing cross-cultural difficulties. The potential rewards for more cross-cultural sensitivity in international business are great. Success in the new global marketplace will hinge on it.

—Stephen Karel
Health Officer
East-West Center
Honolulu, HI

CITY STATS

HOUSE-HUNTING DOWN UNDER

Compared to the median price of an American home ($87,000), an Australian home is a good buy. (Median price of Australian homes, by region, in thousands of U.S. dollars, 1987)

Region	*Median price of home*
Sydney, New South Wales	$70,000
Canberra, The Australian Capital Territory	65,800
Melbourne, Victoria	58,500
Adelaide, Southern Australia	53,200
Hobart, Tasmania	43,000
Brisbane, Queensland	42,000
Perth, Western Australia	38,200

Source: International Living, *vol. 7, no. 3, July 1987, p. 17.*

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PUBLICATIONS

The State of the World's Children 1988: United Nations Children's Fund, Oxford University Press, Walton Street, Oxford, England OX2 6DP, US$6.25.

When as many children die as there are people living in West Germany, it is cause for outrage and global alliance. That is the key element in the United Nations' campaign to save young children and thus ensure the future productivity of less industrialized nations. **The State of the World's Children** explains how far infant health care has come and how media, businesses, governments, and local communities can help to move even further ahead.

Because the cost of basic treatment has become affordable even for low-income families, the number of children under age five who die each year has fallen from 25 million in 1950 to about 14 million today. Nevertheless, the U.N. estimates that additional low-cost treatments, expanded media coverage, and private-sector investment could save 40,000 young lives a week.

Creative solutions from the public and private sector are working. In Mexico, soap operas such as the nightly *Acompañame* series openly discuss family planning and child health care. Brazilian and Colombian companies print vaccine information on bank statements, electricity bills, lottery tickets, carrier bags, and commercial calendars. And Rotary International plans to raise nearly $120 million for polio vaccination programs worldwide.

The United Nations has set 1990 as the target date for achieving complete immunization worldwide against six major diseases. It emphasizes that the advantages of fighting the war on infant death are mutually reinforcing: "Any improvement in the mental and physical development of children contributes fundamentally to the social and economic development of nations."

—Blayne Cutler

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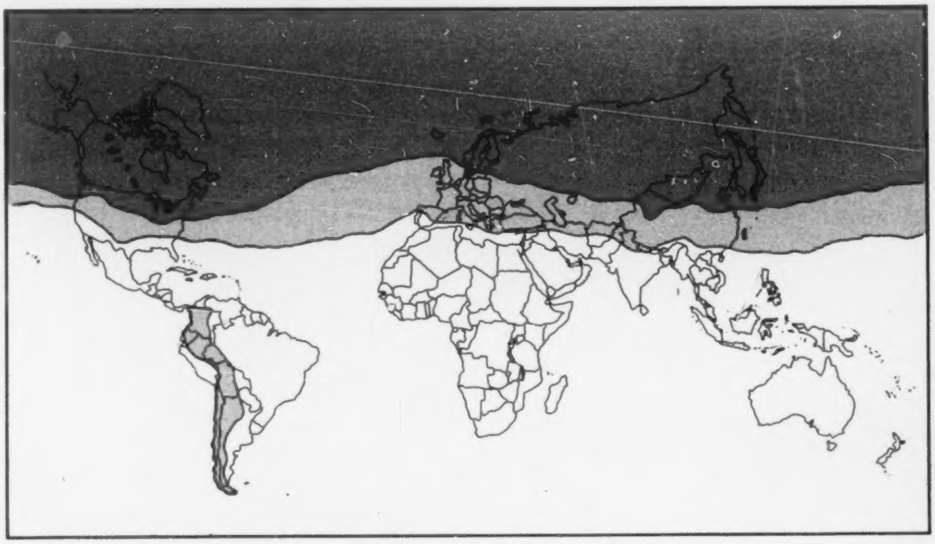
ICE COLD CASH

DEEP FREEZE

Nearly half the world's population faces freezing temperatures annually. (Estimated location and population of the "winter zone," including "inner zone" and "fringe," in millions, 1987)



■ ***Inner zone*** *(population 1,074 million)*

▨ ***Fringe*** *(population 813 million)*

Source: "The Winter City World," Winter Cities Forum and Showcase, Edmonton, Alberta, Canada, 1988.

The business of winter affects nearly 2 billion people worldwide.

LIFESTYLES AROUND THE WORLD

While New Yorkers gear up for bathing suits, ice cream, and summer fun this month, Australians in Sydney buy snowplows, ski boots, and hot tea. Winter is a thriving business all year, as consumers above and below the equator search for new ways to enjoy their icier months.

One billion people, or one-fifth of the world's population, live in the "inner zone" of winter—areas with an average January temperature of 32° F or less. Another 800 million people live in the "outer zone," or "fringe"—with an average January temperature of 41° F or less, according to the Winter Cities Forum and Showcase held in Edmonton, Alberta last February. Together these zones comprise some of the most densely populated urban regions in

(continued on p. 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 6 JUNE 1988

DELHI: INDIA'S URBAN EXAMPLE

If the Delhi Union Territory can manage growth successfully, international business will benefit.

IN DEPTH

The Delhi Union Territory is becoming India's example. As the nation's capital, a center of wealth, and a symbol of urban planning, Delhi must absorb rapid population growth without losing economic ground. It's a test that's proving difficult, and every Indian is watching. But outsiders have been slow to take note.

The 7.8 million people in the Delhi Union Territory*—an administrative district similar to Washington, D.C.—live in a contrasting world of ancient bazaars and modern high-rise buildings. The Union Territory has gained 1.6 million people just since 1981. The urban population grew by 4.7 percent a year from 1971 to 1981, faster than that of Calcutta, Bombay, or Madras. By 2000, Delhi's population will more than double, approaching 14 million people. The Union Territory would then be the eleventh largest urban area in the world.

Delhi's modern geography is as eclectic as its history. The old "walled city," the site of most retailing today, was Delhi's original marketplace as far back as the 12th century. That section is now part of a larger census division called the Delhi Municipal Corporation. A second census division includes the center of government service, called the New Delhi Municipal Corporation. The Delhi Cantonment, a military center, is the third-largest urban census division.

The rest of Delhi's urban population lives in 27 smaller "towns," each having more than 5,000 people. While only 450,000 Delhi residents live in rural areas, most of the district is classified as rural (891 square kilometers are rural versus 592 urban). The Delhi Development Authority (DDA), Delhi's major planning agency, also divides the territory into eight planning divisions (see table and map).

All Indian cities are plagued by poverty and substandard housing.

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* *Recently the Delhi Metropolitan Area was redefined to include the Delhi Union Territory and several smaller outlying regions, such as the Faridabad–Ballabhgarh complex, Ghaziabad, and Gurgaon. Their populations total nearly 500,000. This profile will focus exclusively on the Union Territory.*

WESTERN SPRAWL

Northwest Delhi will grow by 6 percent a year through the end of the century. (Population of major planning divisions in urban areas of Delhi, 1981, projected population, 2001, and projected annual growth rate 1981–2001, in percent)

	Population		*Projected annual growth rate 1981–2001*
*Planning division**	*1981*	*Projected 2001*	
Total**	**5,460,000**	**8,210,000**	**2.1%**
Old Delhi	620,000	420,000	–1.9
Karol Bagh	560,000	610,000	0.4
Civil Lines	580,000	710,000	1.0
New Delhi	490,000	700,000	1.8
Shahdara	1,020,000	1,630,000	2.4
New Delhi South	820,000	1,190,000	1.9
West Delhi	860,000	1,360,000	2.3
Northwest Delhi	510,000	1,590,000	5.8

* ***Note:*** *The major planning divisions in Delhi differ from major census areas. For census areas, see table on p. 6.*

** ***Note:*** *Urban population not included in planning divisions equals 308,200. Delhi's total urban population in 1981 equaled 5,768,200. See table on p. 6.*

Source: Delhi Vikas Varta, *vol. 2, no. 2, special issue, 1985, in* Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, p. 8.*

Consumer markets abroad

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But Delhi benefits from its capital status by receiving a larger share of government funds and pressure from national leaders for urban renewal. Further, the city's economy depends on a strong and varied base of small retail establishments.

Per capita income in Delhi was nearly twice the national average in 1983, $321 per year compared with $181 for India as a whole. Only the states of Pondicherry and Punjab had higher incomes, $352 and $340, respectively.

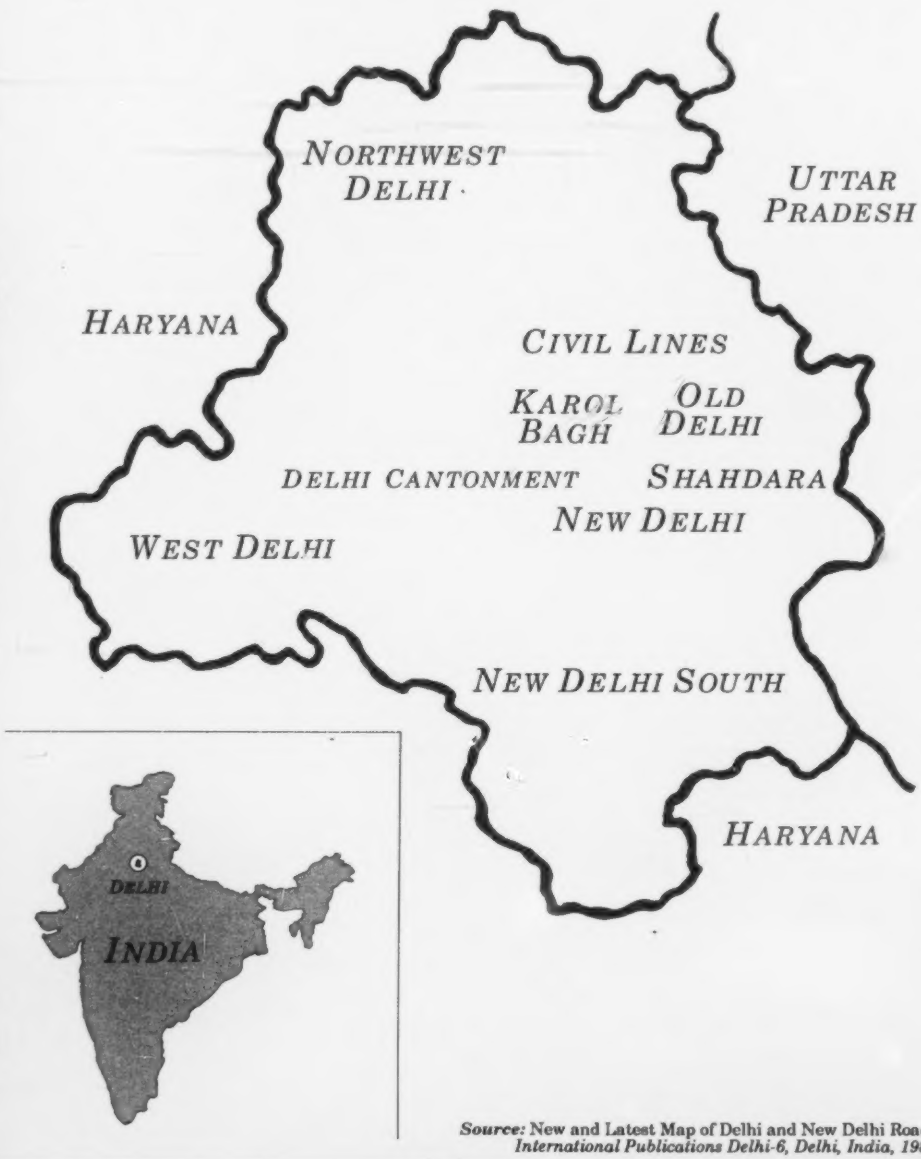
MOSTLY MALE

The Union Territory's population is extremely young and disproportionately male. Fully 35 percent of Indians in Delhi were under age 15 as of the last census. Only 3 percent were

The Union Territory's population is extremely young and disproportionately male.

DELHI DIVISIONS

The Delhi Development Authority divides the urban population into 8 districts. Migration to these districts from the neighboring states Uttar Pradesh and Haryana is heavy.


NORTHWEST DELHI
UTTAR PRADESH
HARYANA
CIVIL LINES
KAROL BAGH
OLD DELHI
DELHI CANTONMENT
SHAHDARA
NEW DELHI
WEST DELHI
NEW DELHI SOUTH
HARYANA
DELHI
INDIA

Source: **New and Latest Map of Delhi and New Delhi Roads, *International Publications Delhi-6, Delhi, India, 1980.***

THE BIG TEN

Delhi is growing faster than Calcutta or Bombay. (Population of India's top ten urban areas, in millions, 1971, 1981, projected 2000)

Metropolitan area	*Population*		
	1971	*1981*	*2000*
Calcutta, West Bengal	7.0	9.1	16.6
Bombay, Maharashtra	6.0	8.2	16.0
Delhi, Delhi Union Territory	3.6	6.2	13.3
Madras, Tamil Nadu	2.5	4.2	8.2
Bangalore, Karnataka	1.6	2.9	8.0
Ahmedabad, Gujarat	1.6	2.5	5.2
Hyderabad, Andhra Pradesh	1.8	2.5	5.3
Kanpur, Uttar Pradesh	1.3	1.7	3.4
Poona, Maharashtra	0.8	1.7	3.7
Lucknow, Uttar Pradesh	0.8	1.0	2.0

***Source:** Dogan, Mattei and Kasarda, John D.,* The Metropolis Era: A World of Giant Cities, *Sage Publications, New Delhi, India, pp. 16, 254.*

aged 60 and older. Because many men migrate to the territory in search of work, there were 124 males for every 100 females there in 1981.

Fully 85 percent of urbanites in the Union Territory live in the Delhi Municipal Corporation. Five percent live in New Delhi, and one percent live in the Delhi Cantonment. About 7 percent of Delhi's population live in areas classified as rural.

Average household size is large in Delhi and in the country as a whole. Indian families have many children to ensure that some will survive. In 1983 Delhi's average household size was 5.1 people.

Although Delhi's population is projected to double by the end of the century, planners predict that growth will slow by the late 1990s. Two planning areas, Civil Lines and Karol Bagh (see map), will grow at about 1 percent a year, and western outlying regions should grow at about 2 percent a year. The planning area of Northwest Delhi will grow as fast as 6 percent a year, according to DDA projections. Growth to the east is limited by the Yamuna River, which is the edge of the Union Territory.

THE MIGRANT ELITE

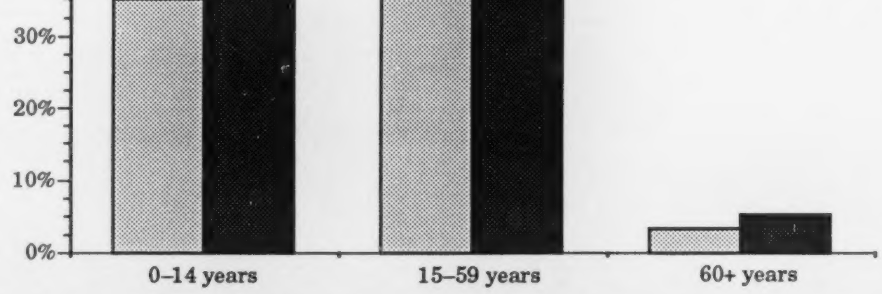
More than half of Delhi residents in 1981 were not born there, and fully two-thirds of Delhi's population growth from 1971 to 1981 came from migrants. About one-third of the new migrants came from the neighboring state of Uttar Pradesh. One-quarter came from the states of Haryana, Punjab, and Rajasthan.

Migrants to Delhi do not fit the "guest worker" stereotype. They are often better educated and more likely to be employed than long-time Delhi residents. In 1981 two-thirds of migrants to Delhi were literate. A large number move to Delhi with a job already lined up.

The reasons Indians move to Delhi differ for men and women. Half of the men who migrate there report that

MORE WORKERS, FEWER PENSIONERS

Delhi's share of working-age Indians is higher than the national average. (Population of Delhi Union Territory and India by age group, in percent of total population, 1981)



Source: Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, p. 6; Hobbs, Frank B.,* Demographic Estimates, Projections and Selected Social Characteristics of the Population of India, *Center for International Research, U.S. Census Bureau, May 1986, p. 41.*

they come to Delhi for a job, while fewer than 1 percent of women give that reason. But half of the women report that they come for family reasons, versus 35 percent of men who do the same. About 14 percent of women say they come to Delhi because of marriage.

BEYOND THE BASICS

As in many Indian cities, Delhi's primary education needs are met. Nearly 100 percent of children aged 6 to 11 go to primary school. About 77 percent of children aged 11 to 14 receive a middle-school education, and about half of children aged 14 to 17 go to secondary school.

In 1981 there were 1,726 primary schools, 326 middle schools, and 708 secondary schools in the Union Territory. Recently, the government started to build all-in-one schools, with primary, middle, and secondary grades located on one site.

Unfortunately, Delhi's health facilities are not as advanced as its educational facilities. There are only 23 hospital beds for every 10,000 people in Delhi. In addition, health facilities are distributed unevenly. The number of beds for every 10,000 people ranges from 90 in New Delhi to 0.5 in Northwest Delhi.

BUILDING ON THE BAZAAR

Economically, Delhi thrives on two activities: the bazaar and the bureaucracy. Trade, services, and public sector activity account for three-quarters of all productive activity. Manufacturing has expanded recently to include electronics, machinery, metals, plastics, and paper goods. Even so, Delhi remains the least industrialized of India's four largest metropolitan areas.

Old Delhi is the Union Territory's retail center, and has traditional markets such as the Chandni Chowk bazaar. This district also contains Connaught Circus, a market that has remained commercially active since its restoration to prominence in the imperial days. West Delhi and Shahdara, two of the municipal planning districts, will become ancillary hubs of economic activity as the population expands.

CITY OF SALESPEOPLE

One-third of the population in the Union Territory works, most in the informal sector. Employment is centered in Old Delhi, despite the fact that development planners have tried to relieve congestion there since the early 1960s.

INCOME REPORT

Compared to most Indian states, Delhi's annual per capita income is high. (Per capita income, in US$, 1983)

State / Territory	*Per capita income*
Pondicherry	$352.02
Punjab	339.60
Delhi	**321.37**
Maharashtra	244.86
India	181.15
West Bengal	171.35
Tamil Nadu	133.44

Source: Estimates of State Income of Delhi, 1970/71–1982/83, *Delhi Administration,* in Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, p 34.*

LABOR GLUT

Delhi's labor force will double by 2001. (Total labor force by sector, 1971, 1981, projected 2001)

Sector	*1971*	*1981*	*2001*
Total labor force	1,228,397	1,986,399	4,908,000
Agriculture	60,856	75,731	72,000
Industry	291,585	568,910	1,330,000
Construction	65,138	123,704	231,000
Trade and commerce	244,597	420,325	976,000
Transport and communication	114,976	178,820	504,000
Other services (includes government)	451,245	618,908	1,367,000

Source: Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, p. 15.*

More than half of all workers—52 percent—are employed in trade, commerce, and government services. Retail activity is intense: in 1961 there were 16 retail shops for every 1,000 Delhi residents. By 1981 there were 45 retail shops for every 1,000 people.

While fewer than a third of all workers are employed in industry, that share has risen considerably over the past 20 years. Fewer than 5 percent of Delhi residents farm, and nearly 10 percent work in transport and communication.

More than half a million people work in the public sector, Delhi's largest employer. The number of public workers has grown by more than 4 percent a year over the past 20 years, but growth has been uneven. Employment in public services grew by almost 10 percent a year from 1961 to 1981 and is responsible for bringing a large share of migrants to the Union Territory. The number of workers in the Delhi Administration and other local bodies grew at about 5 percent a year, and employment in the central government grew at about 2 percent a year.

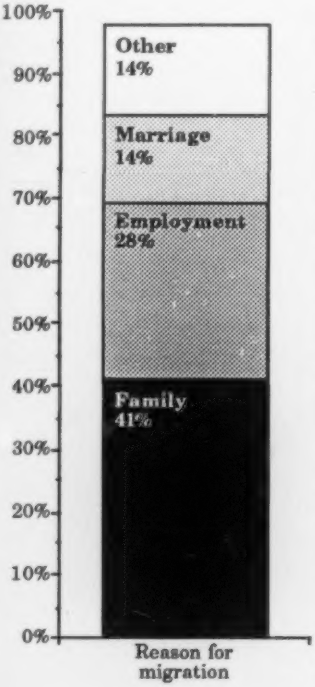
The Delhi Development Authority predicts that the structure of the Union Territory's labor force will hardly change in the next 15 years. The labor force participation of the Delhi population will grow from 32 to 38 percent, but the Union Territory should gain more than 2 million new jobs. The share of workers employed in trade, commerce, and government services will remain relatively constant. Agricultural work should fall from 4 percent of all jobs to less than 2 percent, and employment in transport and communication should rise to 11 percent.

URBAN DISTRESS

Since the early 1960s, the Delhi Development Authority has tried to shape the course of Union Territory growth. Planners have had little success in decentralizing downtown

THE BIG ATTTRACTION

Most Indians move to Delhi for family and work. Women move for family, while men move for work. (Reason for migrating, percent of total responses, 1985)



Note: Less than 1% of migrants moved for educational reasons.

Source: Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of Economic and Social Affairs, Policy Paper no. 7, New York, p. 7.*

DELHI STATUS

Delhi's urban areas consist of 3 major census divisions and 27 small "towns." (Total population by census division, 1981)

Census division	*Population*
Total Union Territory	**6,220,406**
Total Urban Area of Delhi	**5,768,200**
Delhi Municipal Corporation	4,884,234
New Delhi Municipal Corporation	273,036
Delhi Cantonment	85,166
Other Urban Areas	525,764
Samepur	9,147
Bhalswa Jahangirpur	70,301
Jaffarabad	16,148
Barbarpur	21,925
Gokalpur	14,972
Mandoli	47,891
Kotla	65,828
Roshanpur	5,122
Nangloi Jat	37,623
Sultanpur Majra	56,058
Nangloi Sayed	9,689
Bindapur	9,284
Nasirpur	24,244
Palam	34,378
Other Urban Areas (con't)	
Mahipalpur	8,765
Rajokri	5,759
Chhattarpur	6,504
Lado Sarai	6,079
Tigri	17,228
Deoli	5,788
Molar Band	5,326
Pul Pehlad	8,788
Bawana	12,637
Alipur	6,735
Pooth Khurd	7,145
Pehladpur Banger	5,011
Bijwasan	7,389
Total Rural Area of Delhi	**452,206**

Source: Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, pp. 5, 36; Census of India 1981,* Provisional Population Totals: Workers and Nonworkers, *Indian Administrative Service, p. 181.*

government and business activity, stemming a severe housing shortage, or improving the infrastructure. Even so, their priorities into the next century remain the same.

These planning goals grew up around the Master Plan of 1962, which proposed the creation of 11 urban districts, each housing about 300,000 people, and the restriction of central-city employment. Planners also proposed a National Capital Region that would include the Union Territory and several districts in the states of Uttar Pradesh, Haryana, and Rajasthan.

Today, only three of the proposed districts exist. Workers are even more centralized in the downtown area than before, and a National Capital Region is still a reality only on paper.

Even so, planners adopted the Revised Master Plan for Delhi in early 1986. The focus of the new plan is public service, particularly housing. In addition to the three commercial districts built under the original master plan—Nehru Place, Rajendra Place, and Bhikaji Cama Place—three more districts are under construction. They are Janakpuri, Laxmi Naga, and Shivaji Place. Planners project that the district centers will generate about 700,000 new jobs.

HARD LIVING

Delhi's 1 million plus households do not, for the most part, live in too much comfort. Housing facilities range from developments and villages to squatter settlements and resettlement colonies. The DDA estimates a current housing shortage of about 300,000 units. Since the number of households in Delhi will double by 2000, the shortage is likely to get worse.

Environmental problems constrain Delhi's growth. Only one-fifth of the waste generated each day is properly treated, and the Yamuna River, to the east of the city, is already extremely polluted. By 2001, Delhi will require six times the sewage capacity available now. Electric power is also in short supply.

Throughout the Union Territory there are about 600 squatter settlements on private land. Planners are working to upgrade these settlements and to move as many squatters as possible to resettlement colonies on the outskirts of the city. During 1984–85 city planners upgraded water supplies, provided storm water drains, community baths, and streetlights to nearly 200,000 housing projects in the Union Territory.

DAILY MOVEMENTS

In one day more than 3,000 people migrate to India's big three metropolitan areas. (Number of migrants entering India's metropolitan areas each day)

Metropolitan area	*In-migrants per day*
Calcutta	2,000
Bombay	822
Delhi	**329**

Source: Chengapa, Raj, "India's Urban Chaos," India Today, *New Delhi, India, in* World Press Review, *April 1988, p. 54.*

MUNICIPAL PAYROLL

Delhi workers will swell government ranks. (Government employment by sector, 1961, 1981, projected 2001, and projected average annual growth, in percent, 1981–2001)

	Total employed			*Projected average annual growth*
	1961	*1981*	*2001*	*1981–2001*
Total	222,000	542,000	1,094,000	3.6%
Central government	144,000	226,000	316,000	1.7
Public services	22,000	141,000	384,000	5.1
Delhi administration	25,000	58,000	153,000	5.0
Local government bodies	31,000	117,000	241,000	3.7

Source: Seminar on Employment: 1981–2001, *Delhi, 1981, and* Delhi Vikas Varta, *vol. 2, no. 2, special issue, 1985, Delhi Development Authority, in* Population Growth and Policies in Mega-Cities: Delhi, *United Nations, Department of International Economic and Social Affairs, Policy Paper no. 7, New York, 1986, p. 16.*

SHARED VALUES

Unlike some Indian states, Delhi is mostly Hindu. (Religious affiliation of Delhi residents, percent of total population, 1981)

Religion	*Share*
Total	100.0%
Hindu	83.6
Muslim	7.7
Sikh	6.3
Jain	1.2
Christian	1.0
Buddhist	0.1

***Source:** Hobbs, Frank B.,* Demographic Estimates, Projections and Estimated Social Characteristics of the Population of India, *Center for International Research, U.S. Census Bureau, May 1986, p. 97.*

For higher income groups, the DDA builds housing. In 1981 it built 17,000 housing units. By 1983 it built 25,000 units. Even with the added housing, 158,000 households were on the waiting list for public accommodations in 1985.

TRANSIT TIPS

As a government center and the former "jewel" in Britain's crown, Delhi attracts many diplomats and tourists. The city is well equipped to handle guests in a variety of both expensive and low-cost hotels. Many Indians also understand English.

Congestion is a chronic problem, however. One-fifth of all the motorized vehicles in India are on Delhi streets, and nearly 800,000 people commute to work every day. Buses account for more than half of all daily vehicle trips. The average monthly household income of bus riders is $123. Bicycles account for 22 percent of all daily trips. The average monthly household income of bicycle riders is $71. One-tenth of all daily vehicle trips are made on scooters and motorcycles, while only 4 percent are in cars. The average monthly household income of scooter, motorcycle, and car drivers ranges from $190 to $270.

Those who wait for a public bus wait a long time. In its 1981 Seminar on Transport, the DDA estimated that Delhi residents waste 100 man-years a day waiting for public buses.

But even with all the congestion and waiting at bus stops, Delhi is better suited for international business than most Indian cities. Absorbing India's relentless growth will test planners well into the next century.

SOURCES

The United Nations series on urbanization, *Population Growth and Policies in Mega-Cities,* is an excellent resource for detailed information on Delhi, Calcutta, Bombay, and Madras. That series is produced by the Department of International Economic and Social Affairs. Population Policy Paper no. 7 (on Delhi) was published in 1986.

The 1981 Indian Census publications are available by writing to the Government of India Press, Ring Road, New Delhi 110064, India. The Center for International Research at the U.S. Census Bureau projects growth of major cities around the world. Contact the U.S. Department of Commerce, Room 709, Scuderi Building, Washington, DC 20233.

—Blayne Cutler

CITY SMARTS

Literacy in Delhi is higher than in most urban areas.
(Percent literate of major Indian urban populations, by sex, 1981)

		Percent literate		
Urban area	*State/Territory*	*Total*	*Male*	*Female*
Calcutta	West Bengal	65.5%	71.0%	58.6%
Bombay	Maharashtra	62.4	69.0	54.3
Delhi	Delhi Union Territory	68.0	73.9	60.3
Madras	Tamil Nadu	65.8	73.1	57.9
Bangalore	Karnataka	62.9	69.2	55.9
Kanpur	Uttar Pradesh	54.8	61.5	46.6
Jaipur	Rajasthan	53.5	63.6	41.9

***Source:** Census of India 1981,* Provisional Population Totals: Workers and Nonworkers, *Indian Administrative Service, Manager Government of India Press, Appendix III.*

(Ice cold cash, continued from page 1)

the world and they also include some of the world's wealthiest populations.

Nearly half of the people living in the inner zone are Asian. All of the people (286 million) who live in the Soviet Union, and more than 100 million people in North America and another 180 million in Europe, also live in the inner zone. These countries include Switzerland, South Korea, and Yugoslavia.

Another 475 million Asians, nearly 300 million Europeans, and 50 million North Americans live on winter's fringe. Fringe-area countries are seven times more densely populated than inner-zone countries.

At US$6,764, the per capita gross domestic product for countries in winter's fringe area is larger than that for those in the inner zone. Although the average per capita GDP is only $4,610 for those in the inner zone, the inner-zone countries of Switzerland, the United States, Norway, and Japan all have per capita GDPs above $15,000.

The people who live in the winter zones spend about $440 billion a year on clothing. Their heating costs amount to about $300 billion per year, and snow removal costs range from $5 to $20 per person each year.

WINTER FUN

The U.S., Japan, and West Germany sold 4 million pairs of skiis last year. (Sales of downhill and cross-country skiis, by country, 1986/87)

*Country**	*Pairs of skiis sold*
U.S.	1,700,000
Japan	1,165,000
West Germany	1,150,000
Canada	650,000
France	600,000
Austria	500,000
Switzerland	500,000
Italy	400,000

** Note: Scandinavian countries sold a total of 800,000 pairs of skiis in 1986/87.*

Source: Winter Cities Forum and Showcase, Edmonton, Alberta, Canada, 1988, p. 58.

Winter tends to be the "season of culture." There are more art, theater, and musical presentations during winter months, and these activities occur more frequently in winter cities, according to proceedings from the Winter Cities Forum.

Winter sport enthusiasts are also on the rise: fully 52 million skiers visited U.S. slopes in the 1985–86 season, 6 million skied in France, and 4 million in Austria. About 10 percent of the French take ski vacations, and their average daily per capita expenditure is US$90. The U.S., Japan, and West Germany each sold more than 1 million pairs of skiis from 1986 to 1987.

But the economics of winter mean different things to different nations. Sapporo, Japan's snowy northern city, has developed a "district heating system" which collects waste heat from the subway system to warm apartments. The city also uses a radar/sensor system for predicting snowfall on certain roads, and even heats its sidewalks. Sapporo's ice festival, famous for snow sculptures, attracts 2 million visitors annually.

The West Edmonton Mall in Edmonton, Alberta, creates its own "warm city" as a shopping shelter from the cold. In the largest enclosed mall in the world, West Edmonton developers boast that shoppers can "walk to Hawaii" in the warm-weather climate simulated under the mall's roof.

Regardless of how urban planners and developers differ, a "northern resurgence" creates opportunities for businesses and consumers alike. Edmonton mayor Lawrence DuCore plans to take advantage of such a resurgence. "The business of winter is a big one," he says, "just how big is only beginning to be realized."

—Jeanne Howard
Virginia Polytechnic Institute and State University

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DISCOVER ROTTERDAM, THE NETHERLANDS

As the gateway to Europe, Rotterdam's role in trade is bound to increase.

Netherlanders will tell you that Rotterdam is for making money, Amsterdam is for spending it, and The Hague is for talking about it.

Given that the Rotterdam metropolitan area generates about 10 percent of the GNP in a country three times more populous than Maryland, but only slightly larger in size, many foreigners would agree with that claim.

As the 15-million-person nautical gateway to Europe, Rotterdam has undertaken one of Western Europe's largest dockside renewal programs—one which began in the mid-1970s and will extend beyond 2000.

After complete devastation in World War II, the Dutch port surpassed New York's cargo capacity 20 years ago and now handles almost twice the tonnage of the world's second largest port, Kobe, Japan. Over 250 million tons from more than 30,000 ocean-going vessels and 180,000 inland barges are off-loaded annually here. From 1984 to 1987, planners injected US$1 billion into local port improvements. They plan to add US$300 million more by 2000.

Traders transship about 80 percent of the goods that enter Rotterdam's port to the rest of Europe, including more than 40 percent originating in the United States and 30 percent originating in Japan. Rotterdam handles more West German tonnage than do West Germany's own ports.

CENSUS SHY

Census-taking is an extremely sensitive matter in the Netherlands—a fact that goes back to wartime. "The current generation still resents having had to carry an identity card during the war," explains Jos Geerling, head of the municipality's Economic Research and Policy Department. The most recent census was taken in 1971, but he is confident that times are changing: "The younger generation may be more receptive to a census in not too long a time."

Projections show that Rotterdam will age faster than the Netherlands as a whole. At least 20 percent of Rotterdam residents will be aged 65 or older by 1992, while only 13 percent of all Dutch residents will be that old. The share of young people in Rotterdam (those aged 19 or younger) will dip below the national share in 1992, 21 percent compared to 25 percent nationally.

Of last year's 573,000 Rotterdam residents, nearly 60,000 were immigrants. Most come from the Dutch Antilles and Suriname, a former Dutch colony.

PRIME TIME

Twenty percent of all Rotterdam residents are entering their prime working ages—30 to 44. (Population of Rotterdam by age group, total, and by sex, January 1987)

Age category	*Total*	*Female*	*Male*
All ages	572,700	295,400	277,300
0–14 years	88,100	43,300	44,800
15–29 years	145,900	71,600	74,300
30–44 years	116,800	56,100	60,700
45–59 years	92,200	46,000	46,200
60–74 years	85,100	48,100	37,000
75–90 years	44,800	30,400	14,400

Source: Key Figures Rotterdam Area 1987, *Industrial Information Rotterdam Area, World Trade Center, 22nd Floor, Beursplein 37, P.O. Box 30103, 3001 DC, Rotterdam.*

Nearly 1,000 U.S. companies invest in the Netherlands—accounting for nearly one-third of all overseas investments there. A 1986 study by Buck Consultants International of Nijmegen found that a large majority of U.S. firms investing in the Netherlands valued Rotterdam's geographic setting as a starting point for European trade.

VENTURE VACANCIES

Rotterdam's metropolitan area holds Europe's third largest pool of venture capital. There are 40 venture capital firms in the area with a total of US$650 million to invest, compared with France's $750 million and the U.K.'s $4.4 billion. With more than 200 members in the Amsterdam-based European Society for Opinion and Marketing Research, Rotterdam traders can count on research support. Only the U.K. and West Germany have more ESOMAR members.

Unemployment, now at 11 percent, should decline in Rotterdam as Common Market trade improves. The OECD predicts that nearly 5 million new jobs will open in Europe as the market unifies. Even so, that number will not absorb the approximately 16 million people on the Continent who are currently unemployed.

Most Rotterdam women do not work. Last year less than one-third of working age women were employed. The Port of Rotterdam, the city's largest employer, hires only 9 percent of all working women.

A 1987 Regional Survey for Business Development in the Netherlands shows that profitability in Rotterdam is at its highest level since that survey began in 1974. Rotterdam has a small subway and a well-developed educational system, including a university closely linked to the business community. If predictions of a Common Market boom come true, the Continent's Dutch gateway should give global traders a valuable base of operations.

—Peter Inserra
Paris, France

LEFTOVERS

Rotterdam managers have more spending money than do most Dutch managers. (Average annual disposable income per income-earner, by labor force sector, in US$, 1982)*

Sector	*The Netherlands*	*Rotterdam*
Total	$9,873	$9,026
Independent	13,221	12,959
Managers	19,326	21,498
Employees	10,375	9,963
Pensioners	8,464	8,127
Nonworkers	5,056	5,506

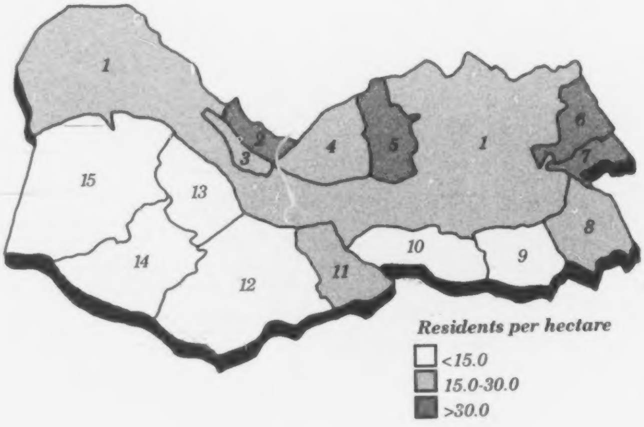
** Note: 2.67 Guilders = 1 US$ in 1982.*

Source: Key Figures Rotterdam Area 1987, *Industrial Information Rotterdam Area, World Trade Center, 22nd Floor, Beursplein 37, P.O. Box 30103, 3001 DC, Rotterdam.*

ROTTERDAM OVERFLOW

Of the 15 communities in the Rijnmond region, Rotterdam is the most populous, but Maassluis and Schiedam, for example, are denser. (Rijnmond communities by density, 1984)

1 Rotterdam
2 Maassluis
3 Rozenburg
4 Vlaardingen
5 Schiedam
6 Capelle a/d IJssel
7 Krimpen a/d IJssel
8 Ridderkerk
9 Barendrecht
10 Albrandswaard
11 Spijkenisse
12 Bernisse
13 Brielle
14 Hellevoetsluis
15 Westvoorne



Source: *Key Figures Rotterdam Area 1987, Industrial Information Rotterdam Area, World Trade Center, 22nd Floor, Beursplein 37, P.O. Box 30103, 3001 DC, Rotterdam.*

FEAR THE FRIENDLY SKIES?

Consumers vote on airlines, airports, and aviation as their pocketbooks come in for a landing.

It seems like only yesterday that the party ended and airline deregulation began. But this year marks the tenth anniversary of a change in U.S. aviation history that defies uncensored description by many frequent fliers. What do people think about airplanes, airports, and the experience of flying since that fateful trust-busting day?

Clearly, more people are flying, says Richard E. Livingston, consultant to the International Foundation of Airline Passengers' Association. Livingston claims that the demand for flying has increased by 50 percent since deregulation. Between 1986 and 1987, the number of passengers in the U.S. grew from 418 million to 450 million. That number is projected to reach 650 million by 1997.

Statistics Canada reports that Canadian airline passengers increased from 21 million in 1975 to 27 million in 1985. The number of international passengers grew faster than the number of domestic passengers.

But more people are flying late. Of the 17,000 flights in the U.S. each day, over 2,000 hours are wasted in delays, says Livingston. That costs $4.6 million per day and is "equivalent to canceling all the flights of one major airline every day or stopping all air transportation in the country for one month a year."

Punctuality is only one of several issues that concern airline passengers worldwide. While flying on time is the number one concern of North American passengers, seating comfort, safety, and carry-on baggage space are three airline features that passengers worldwide would like to see improved.

Last year the IFAPA asked nearly 30,000 frequent flyers from more than 100 countries about their flying preferences. The results of that study, the *1987 Passenger Preference Survey*, shows how travel concerns differ from region to region.

European airline carriers are widely recognized as the best. Of the total nominations for best airline carrier, Swissair received the highest share—13 percent. Singapore Airlines, Lufthansa, American, and British Airways are next in popularity. While Swissair was the airline of choice in all regions, Singapore Airlines received a higher vote of confidence in Asia and Europe, while Lufthansa receives top billing in

AIRPORT AWARDS

Passengers' four favorite airports also run the smoothest operations.
(Airport that is most preferred, safest and has the smoothest border crossing, ranked by region of respondents' residence, in percent of total nominations, 1987)

THE BEST

Airport	*North America*	*Worldwide*
Amsterdam	7%	12%
Singapore	4	11
Frankfurt	3	6
London (Heathrow)	4	6
Tampa	11	6
Atlanta	9	5
Zurich	3	5
Paris (de Gaulle)	2	5
Dallas/Fort Worth	7	4
New York (Kennedy)	3	3

THE SAFEST

Airport	*North America*	*Worldwide*
Frankfurt	11%	12%
London (Heathrow)	12	12
Tokyo (Narita)	5	9
Zurich	6	7
Tel Aviv	9	6
Amsterdam	4	4
Singapore	1	4
Paris (de Gaulle)	3	3
New York (Kennedy)	4	3
Hong Kong	2	3

THE SMOOTHEST

Airport	*North America*	*Worldwide*
London (Heathrow)	13%	12%
Singapore	5	10
Frankfurt	8	9
Amsterdam	8	8
Zurich	7	8
Geneva	3	4
Paris (de Gaulle)	2	4
Tokyo (Narita)	2	3
New York (Kennedy)	4	3
Copenhagen	2	2

Source: 1987 Passenger Preference Survey, *International Foundation of Airline Passengers' Association, Geneva, Switzerland, June 1987, tables 3.02, 3.09, 3.10.*

Latin America, Europe, the Middle East, and Africa.

Passengers are not as confident about U.S. airlines as they are about others. Although Delta is the second most popular U.S. airline after American, six U.S. carriers made the list of top ten disappointing airlines, according to the survey.

These results show that deregulation has affected American attitudes toward flying. Fully 71 percent of respondents outside North America favor decontrol, while only 59 percent of North Americans do. In fact, 52 percent of U.S. respondents think that deregulation "worsens conditions at airports," and 48 percent think it "impacts adversely on safety." European respondents are most in favor of decontrol—by a ratio of five to one.

A comfortable plane ride to an American is not the same thing as a comfortable ride to a European. Cabin noise, smooth flying, and washroom cleanliness are more important to non-American passengers. But all passengers show couch potato tendencies: the seat itself is the most important aircraft concern for passengers in Bangkok or Iowa. Leg room and spaciousness are also important, especially as a flight gets longer.

Airports could stand some improvements too, according to most airline passengers. Quicker baggage-claim, faster check-in procedures, and tighter security are all passenger concerns. Easier plane-changing is a more important concern to North Americans than to other passengers.

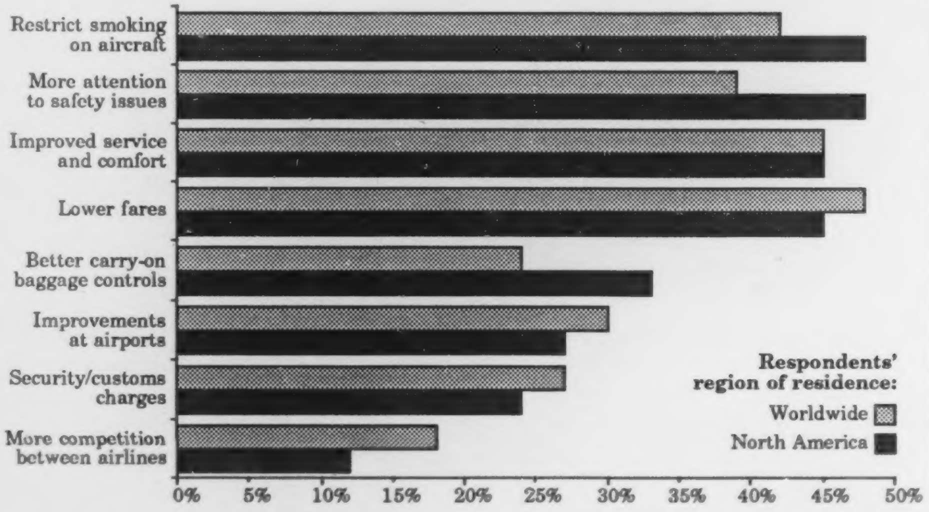
The Amsterdam and Singapore airports vie for popularity. Amsterdam's is one of the top three airports in popularity among respondents in every region of the world, and it is more popular with frequent fliers and women. Singapore's airport is particularly popular among young travelers and for those flying first class.

But Livingston warns that quality and airline service need review: "Have we all been deceived by rainbow-colored promises from a government and an industry that cannot, or will not, deliver the services we like to think we're entitled to?"

—Blayne Cutler

FLYING GRIPES

North American passengers are more concerned about smoking and safety than all international passengers. (Passengers' largest aviation concerns, by region of respondents' residence, in percent of nominations, 1987)



Source: 1987 Passenger Preference Survey, *International Foundation of Airline Passengers' Association, Geneva, Switzerland, June 1987, table 4.01.*

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REGIONS: CONSUMER TRENDS AROUND THE WORLD

More people are living the good life in Norway. The share of Norwegians experiencing at least three "poor living conditions" fell for both men and women in all age groups between 1973 and 1983, according to the Central Statistical Bureau of Norway.

In *Level of Living in Norway: Inequality, Stability and Comprehensive Measures*, the Central Statistical Bureau identifies "poor living conditions" as unemployment, no more than a primary-school education, limited social contact or club membership, and problems relating to the work environment. While one-quarter of all Norwegians experienced at least three of these conditions in 1973, only 10 percent did in 1983.

The gender gap in living conditions has declined. In 1973, 31 percent of women and 15 percent of men experienced at least three poor living conditions, but by 1983 only 11 percent of women and 6 percent of men reported the same situation. All age groups are living better, but among the groups, Norwegians aged 45 to 66 have the hardest time—14 percent live in poor conditions, versus 8 percent of Norwegians aged 25 to 44, and only 3 percent of those aged 16 to 24.

Only the elderly (aged 67 to 79) are in the same position as they were a decade ago. The share of people living in poor conditions in that age group dropped only from 9 to 8 percent.

"Winky" brings South Korean photographers home. The first domestic camera, Samsung's "Winky," may win the shutter-snapping fingers of South Koreans away from Japan. *Korea Business World* reports that six out of ten South Koreans now buy domestic cameras. Seven out of ten South Koreans bought Japanese imports only ten years ago. And Samsung's new product is starting to play in the big leagues: 100,000 Japanese are now the proud owners of South Korean Winkys.

ASIA/ PACIFIC

If roller coasters can go indoors, why can't ski slopes? Japan's Kajima Corporation has plans under way to enclose three slopes under a 65-meter-high roof. JETRO (Japan External Trade Organization) reports that an annual attendance of 400,000 to 500,000 on the Kajima slopes will cover the US$50 million construction cost within eight years.

How will snow fall from a ceiling? Nine machines will produce 27 cubic meters of snow every hour, according to JETRO. But Japanese may have to rely on something more than four walls to keep them warm. Kajima's Leisure Business Development Team plans to keep the temperature of the indoor ski slopes at 32° F.

INTERNATIONAL DEMO MEMO

The number of people added to the world:

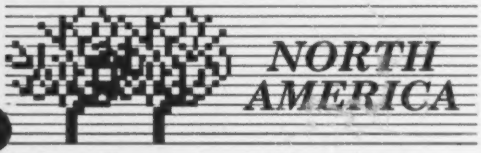
Every minute	*150*
Every day	*220,000*
Every year	*80,000,000*

Source: Populi, *UNFPA, vol. 14, no. 1, 1987, p. 5.*

And those Japanese who suffer from cabin fever will take comfort in the fact that the walls of the indoor slope will show mountain landscapes to "create a feeling of skiing outdoors."

Americans may soon flee to Canada for abortions. While the United States is grappling with its own abortion legislation, Canada just removed all criminality from abortion for the first time in 20 years, according to the International Planned Parenthood Federation (IPPF).

Prior to Canada's Supreme Court ruling, abortion was a punishable offense unless a therapeutic-abortion committee certified that a woman's life or health was threatened. But IPPF reports that nearly 40 percent of Canadian women did not have access to such a committee. In 1985 about 61,000 abortions were performed in Canada, nearly half of which were performed in Ontario. Abortion services are available primarily to high-income, educated women.



Botswana's population is growing fast: expect 2.6 million people by 2011. While the total population of Botswana will double in just 25 years, regional growth will vary, according to Botswana's Central Statistical Office.

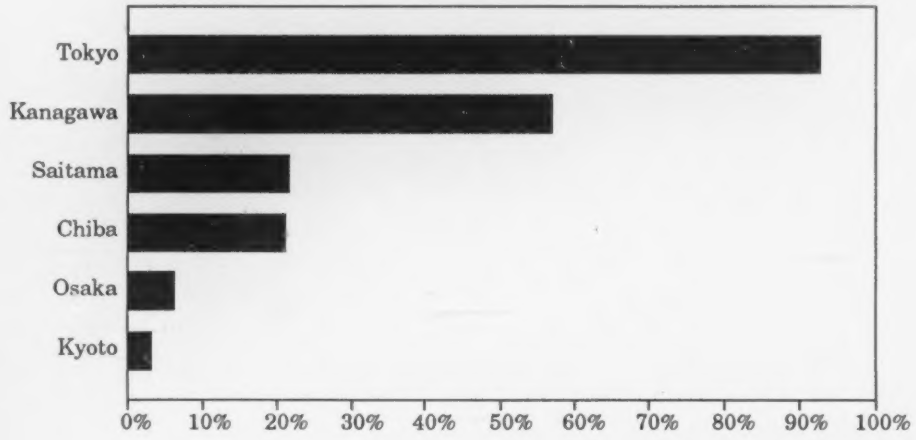
Urban areas will grow faster than rural areas. By 2011 Gaborone and Francistown will have a combined population of one-half million people. Today their populations add up to just over 100,000. Botswana's total urban population will grow from 245,000 in 1986 to 923,000 in 2011.

In rural areas, which now have 883,000 people, the districts of Ngwaketse, Barolong, and Kweneng will double. By 2011 Botswana's rural population will reach 1.7 million—more than the nation's current total population of 1.1 million.

C I T Y   S T A T S

LANDFLATION

Tokyo land prices nearly doubled in one year.
(Average price increase of residential land in several Japanese cities, 1986–87)



Source: "Graphic View of Tokyo," Tokyo Municipal News, *Tokyo Metropolitan Government, vol. 37, no. 4, Winter 1988, p. 8.*

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PUBLICATIONS

The Metropolis Era: A World of Giant Cities, edited by Mattei Dogan and John D. Kasarda, Sage Publications, P.O. Box 5084, Newbury Park, CA 91359, US$40.00.

In twelve years, the entire population of Sweden will pack up and move to Mexico City. That may sound ominous, but in sheer numbers it's true. By 2000, the number of people in Mexico City will equal the city's current population plus the current population of Sweden—about 26 million people combined.

How will giant cities of the world cope with twice as many people when their infrastructure already is strained? Editors Mattei Dogan and John Kasarda give a region-by-region glimpse of a world where more than 500 metropolises have at least 1 million people and about 70 more have at least 4 million people—a world that is only 20 years away.

Despite poor sanitation, high crime, and inadequate housing, migrants continue to flood cities. Since rural employment prospects are even worse than urban ones, the flow grows stronger each year. But as Dogan and Kasarda note, newly urbanized migrants often feel more optimistic about their living conditions than do industrialized outsiders looking in. "We didn't feel we were in such dire straits until you told us how awful our conditions were," said one Mexico City resident at the Barcelona Conference on Giant Cities.

Public spending in "giant" cities is increasing at the expense of spending in medium to smaller cities. In addition to providing public-health and education facilities, these urban meccas provide a wealth of consumer goods and cultural attractions. Dogan and Kasarda predict that giant cities will continue to grow as long as they remain "islands of hope for those seeking economic opportunity and a better life."

—Blayne Cutler

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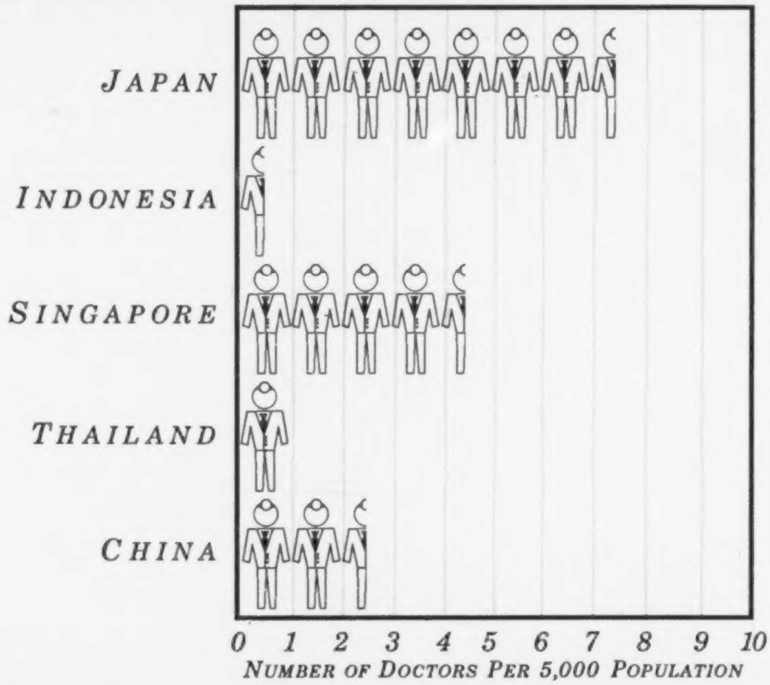
MORE MEDICINE, PLEASE

LONELY DOCTORS

Many Asian countries face a doctor shortage. Indonesia, Thailand, and China rely on nurses, paramedics, or midwives to provide basic health care. (Number of doctors serving 5,000 people, by country, 1981–86)



Notes: *Figure for Japan is for 1984; Indonesia, 1981; Singapore, 1986; Thailand, 1986; China, 1983.*

Sources: Statistical Yearbook for Asia and the Pacific 1983, *United Nations, Economic and Social Commission for Asia and the Pacific, Bangkok, Thailand, pp. 147, 748;* Statistical Handbook of Japan 1987, *Statistics Bureau, Management and Coordination Agency, p. 127;* CMP Industry Sector Analyses, *U.S. Department of Commerce.*

More Asians can afford to be choosy as medical services improve.

LIFESTYLES AROUND THE WORLD

As Asian leaders debate the benefits that trade surpluses bring to their balance sheets, local families point to more immediate bonuses of export-led growth. Economic success not only brings higher standards of living but also improves social services. This link means that more Asians can afford to shop for quality in health care, and their domestic demands are fueling a boom in the international medical-equipment trade.

In less industrialized countries, respiratory infections, diarrheas, intestinal parasites, and nutritional deficiencies account for most illnesses and deaths. Industrialized countries battle chronic degenerative diseases

(continued on page 8)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 7 JULY 1988

RECOVERY IN RIVER COUNTRY

International business leaders watch Zaïre's economic reforms with interest.

Zaïre's investment climate is more favorable today than at any other time since the copper-boom of the early 1970s. After almost five years of reform sponsored by the International Monetary Fund (IMF), the Zaïrian government points to a more competitive business environment as evidence of a stable economic recovery. In this new climate, prospects for U.S. trade should improve.

Formerly the Belgian Congo, Zaïre (meaning "river") achieved independence in June 1960, with one of the most highly developed and diversified economies in sub-Saharan Africa. Although plagued by civil strife during the first five years of independence, Zaïre's politics have stabilized since President Mobutu Sese Seko gained power in 1965. President Mobutu has molded 34 million people of diverse ethnic and tribal groups into a unified nation, which today is a leading force in the region.

Zaïre's 34 million people belong to as many as 250 different ethnic groups. Because of a Belgian-colonial past, about 80 percent of the population is Christian, predominantly Roman Catholic. The country is the third largest territory in Africa, covering more than 905,000 square miles. That makes Zaïre roughly the size of the U.S. east of the Mississippi.

Zaïre shares common borders with nine other nations. Its terrain varies from tropical rain forests to savannas and dense grasslands. One-third of the country lies north of the equator, and two-thirds of the country lies south.

AQUA LIFELINE

Despite its immense size, Zaïre has only about 24 miles of coastline, a narrow strip of land on the north bank of the Zaïre River. This small coastline is the country's only outlet to the Atlantic Ocean (see map).

But Zaïre does not lack water—the Zaïre River, the world's sixth-largest, functions as a lifeline for commerce, transportation, and hydroelectric power. This river's hydroelectric potential is equivalent to 13 percent of the world's supply. Much of that hydroelectric power is tapped by the Inga Dam. The country also has about 135 million barrels of petroleum reserves and over 700 million tons of coal reserves.

Kinshasa, Zaïre's capital city, has nearly 3 million residents. As one of the largest cities in Africa, it is an important market for consumer goods and services. Kinshasa lies 180 miles inland from the Zaïre River. Beyond it, the river is navigable for 1,000 miles into the country's heartland.

PUTTING DOCTORS TO WORK

Since independence, Zaïrians are living longer and better. Life expectancy for the average Zaïrian rose from 43.5 years to 51.5 years between 1965 and 1985. The country now ranks in the top 30 percent of all African nations in life expectancy, according to the World Bank.

Much of Zaïre's progress in health care comes from an increase in medical workers. One doctor served as many as 80,000 Zaïrians in 1960, compared to 15,000 people in 1980. With the growing number of trained medical professionals, vaccination rates against such common diseases as tuberculosis, measles, diphtheria, and tetanus have increased as well.

But the specter of AIDS threatens the recent improvements in health care. Zaïre reported 335 cases of AIDS to the World Health Organization last December, and neighboring countries to the east report even higher numbers. In fact, the farther east one travels, the more serious the epidemic is. Burundi reported a cumulative total of 569 cases of AIDS through last December, Kenya re-

Consumer markets abroad

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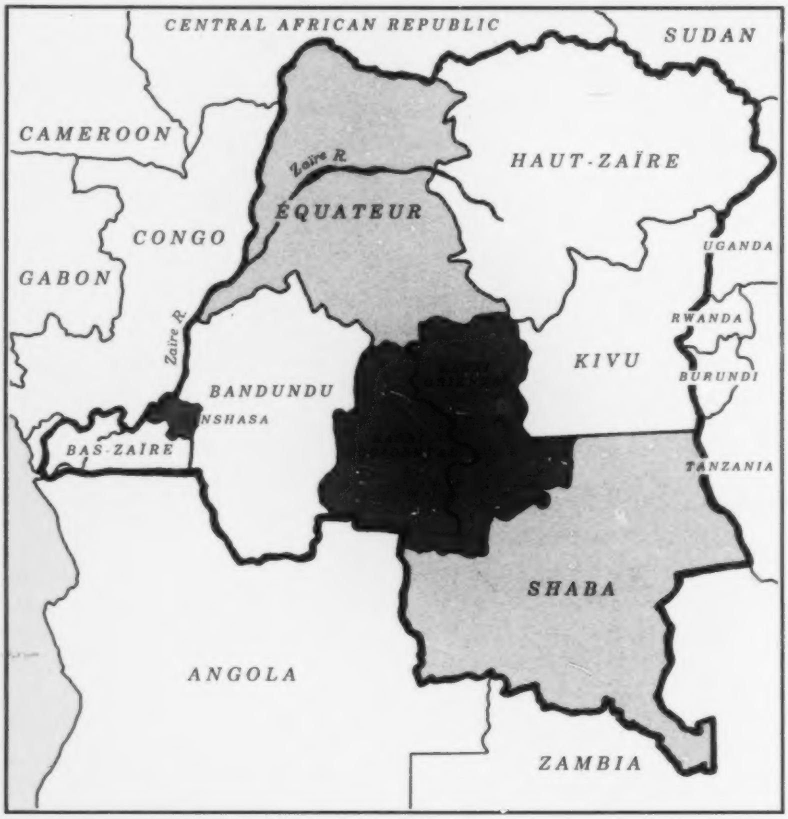
IN THE EYE OF THE STORM

Zaïre is surrounded by demographic and political hotspots. Like its African neighbors, the country's population will increase by nearly 4 percent this year. (Zaïrian provinces by annual growth rate, in percent, 1981–85)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RWANDA
Zaïre R.
KIVU
BURUNDI
BANDUNDU
KINSHASA
BAS-ZAÏRE
TANZANIA
SHABA
ANGOLA
ZAMBIA

Annual growth rate of Zaïre's provinces, in percent, 1981–85

☐ <3.5% ▨ 3.5%–4.5% ■ >4.5%

Zaïre's 34 million people belong to as many as 250 different ethnic groups.

HYPERGROWTH

Kinshasa's overcrowding will worsen. The capital region is growing faster than 4 percent a year. (Population of Zaïrian provinces, 1981 and 1985, annual growth, in percent, 1981–85, and density in persons per square kilometer, 1985)

	Population		Annual growth rate (1981–85)	Density (persons/km², 1985)
	1985	1981		
Total	34,671,607	30,148,165	**3.75**	15
1. Équateur	3,960,187	3,418,296	**3.96**	10
2. Haut-Zaïre	5,119,750	4,541,655	**3.18**	10
3. Bas-Zaïre	2,158,595	1,921,524	**3.08**	40
4. Kinshasa	2,778,281	2,338,246	**4.70**	279
5. Bandundu	4,644,758	4,119,524	**3.19**	16
6. Kasai-Occidental	3,465,756	2,935,036	**4.52**	22
7. Kasai-Oriental	2,859,220	2,336,951	**5.59**	17
8. Kivu	5,232,442	4,713,761	**2.75**	20
9. Shaba	4,452,618	3,823,172	**4.12**	9

Source: *National Census of Zaïre 1985;* Africa South of the Sahara 1984–85, *Europa Publications Ltd., London, p. 949.*

ported 964, Tanzania 1,608, and Uganda 2,369.

Zaïre's willingness to address the AIDS problem began in earnest last year. Before 1987, the government would not release statistics on the disease. Today the government's "Project SIPA" is one of the largest AIDS programs in Africa. Medical authorities team up with France's Pasteur Institute and the U.S. Centers for Disease Control to publicly battle the growing epidemic. Since nearly half the population is illiterate, television is key in spreading the public-health message. The nation's most popular program recently devoted two episodes to the issue. One widely popular Zaïrian singer has recorded an album about the dangers of the disease. But these efforts fall short of the resources Zaïre needs to handle an increasing AIDS case load.

Zaïre's per capita food production rose about 10 percent during the 1980s. Seafood is the food of choice for most people. Over 20 percent of the average Zaïrian food dollar is spent on fish, making it the largest single food expenditure. Seafood supplies over half of all protein in the Zaïrian diet. Domestic production is steadily declining, however, and fish imports are rising dramatically: Zaïre imported 4,000 metric tons of fish in 1981 and 209,000 metric tons in 1986.

AFRICAN ROLLERCOASTER

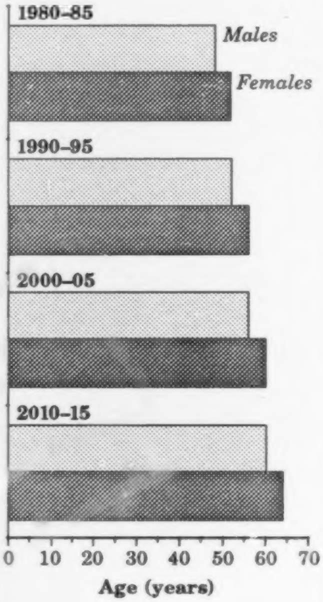
Although politically stable, Zaïre's economy experiences cyclical swings. Per capita income grew rapidly, particularly in the modern urban sector, until the oil-price shocks of 1974. The subsequent worldwide recession and the fall in copper prices pushed the economy into a long period of decline, which began to reverse with the economic-reform program of 1982.

Zaïre's 1985 gross domestic product was US$5.7 billion, an increase of 2.5 percent over 1984. Per capita GNP in 1985 was about US$170, according to the World Bank.

The three-quarters of Zaïrians who live in rural areas are insulated from urban problems like inflation.

LONGER LIFE

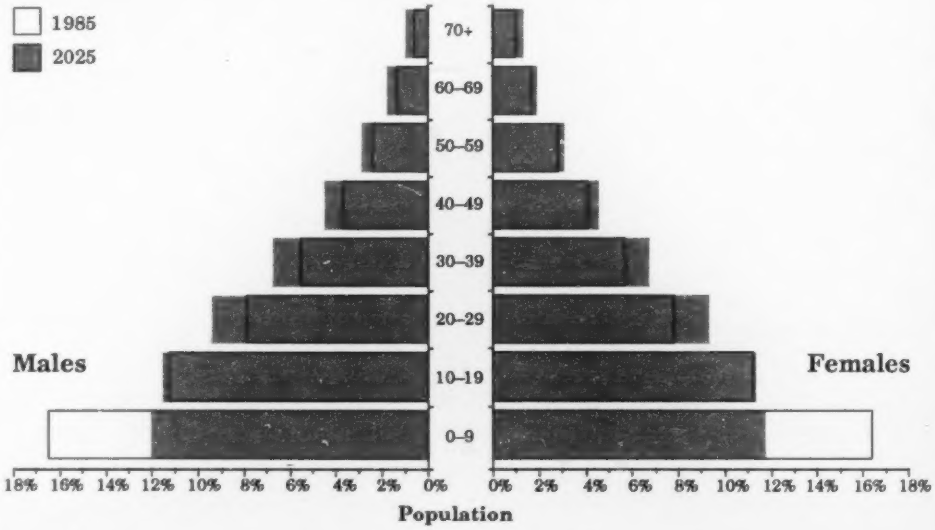
Zaïrian women outlive Zaïrian men, but both men and women will live longer in 2010 than they do today.
(Life expectancy, by sex, in years, 1980–2015)



Source: World Demographic Estimates and Projections, 1950–2025, *United Nations, New York, 1988, p. 176.*

AN OLDER FUTURE

While more than 15 percent of Zaïrians are under age 10 now, that share should fall sharply by 2025.
(Population of Zaïre by age group, in percent, 1985 and projected 2025)



Source: World Demographic Estimates and Projections, 1950–2025, *United Nations, New York, 1988, p. 177.*

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But as the country's infrastructure improves and more family members move to the city, rural Zaïrians increasingly are drawn into the cash economy. In the rural Shaba and Bandundu provinces, for example, more people are buying basic educational items and consumer products such as soap, cigarettes, and beer.

As recently as 1965, nine out of ten Zaïrians lived in rural areas. But the UN projects that only five out of ten will live there by 2010.

Zaïre is rich in natural resources. Its exports, amounting to US$1.87 billion in 1986, include copper, cobalt, industrial and gem diamonds, coffee, gold, and wood. Half of all the forestland in Africa is in Zaïre. The country sells its forestry products both domestically and abroad. Zaïre's imports, amounting to US$1.5 billion in 1986, include oil, food, heavy machinery, and textiles.

While the country's workers are mainly unskilled and many are underemployed, most Zaïrians are literate. Over 55 percent of adults can read and write, and the number of university graduates, though still small by Western standards, has increased considerably over the last two decades.

CONSUMER WOES

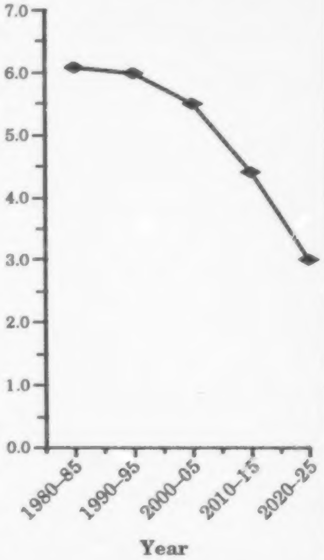
While reform is slowly changing the Zaïrian consumer's lot, past fits of hyperinflation have taken their toll. Prices tripled between 1980 and 1983. By 1983, a wage-earner's purchasing power was less than 5 percent of its 1960 value.

To support the average Zaïrian family of six in 1982, a wage-earner needed to make US$330 a month (at 1982 exchange rates). But in 1983 the minimum legal wage was only about $70 a month for an unskilled worker and $104 a month for a skilled worker, according to André Huybrechts in *Africa South of the Sahara.*

Supplemental income for most Zaïrian families comes from small-scale trading and crafts, children's side work, and contributions from the extended family.

SHRINKING FAMILIES

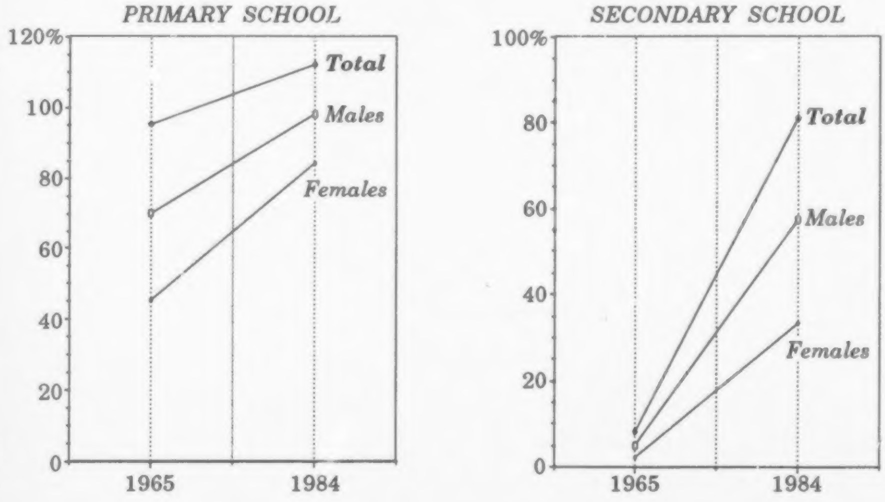
While a Zaïrian woman now has about six children in her lifetime, she should have only three by 2025. (Total lifetime births per woman, 1980–2025)



Source: World Demographic Estimates and Projections, 1950–2025, *United Nations, New York, 1988, p. 176.*

THE LEARNING CURVE

Secondary school is becoming the rule, not the exception—especially for Zaïrian boys. (Percent of Zaïrians enrolled in primary and secondary school as a percentage of their school-age population, 1965 and 1984)



Source: *Robert A. Weaver, Jr. & Associates.*

REFORM'S REWARDS

The Zaïrian government had few choices but to reform under the IMF program in 1982, when the country's foreign-debt burden had reached about US$5 billion. But reform went beyond the rescheduling of debt. Other initiatives included devaluing the national currency (the zaïre), establishing market rates of exchange for most prices and interest rates, liberalizing trade (including customs duties and administrative procedures for export manufacturers), and reorganizing government-owned enterprises known as *parastatals*. In addition, the government improved tax collection and limited public spending and employment.

These reforms produced immediate results. Inflation fell from 76 percent in 1983 to 30 percent in 1985. The government turned an operating budget deficit that was 6 percent of GDP in 1982 into a 1 percent surplus in 1985.

Because the government eliminated exchange and price controls, the black market has shrunk and more profits now accrue to legitimate traders and small farmers. Local supplies reach their markets on a more regular basis.

The periodic shortages that were common in Zaïre now occur less frequently. Both foreign and domestic goods are more plentiful than in the 1970s. Fiscal controls ensure that key industries like mining receive the foreign exchange and local currency they need to operate, thus providing steady jobs for Zaïre's industrial workers.

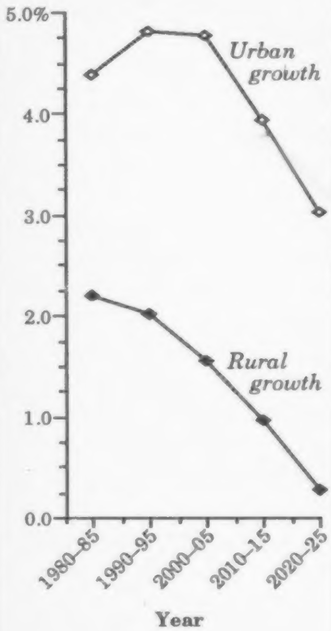
But these successes have not eliminated Zaïre's debt problem. Not long ago, 50 percent of the government's annual budget was required to meet debt-repayment schedules. From the early days of the austerity program in 1983 through October 1986, Zaïre paid Western financial institutions and governments nearly US$1 billion more than it received in loans, grants, and foreign assistance.

SAFE RETURNS

Because the Zaïrian government recognizes that foreign investment is key in keeping the economic momentum alive, it established a new investment code in April 1986. That code offers numerous tax advantages to foreign businesses, some of which vary by location of the enterprise,

MANAGING GROWTH

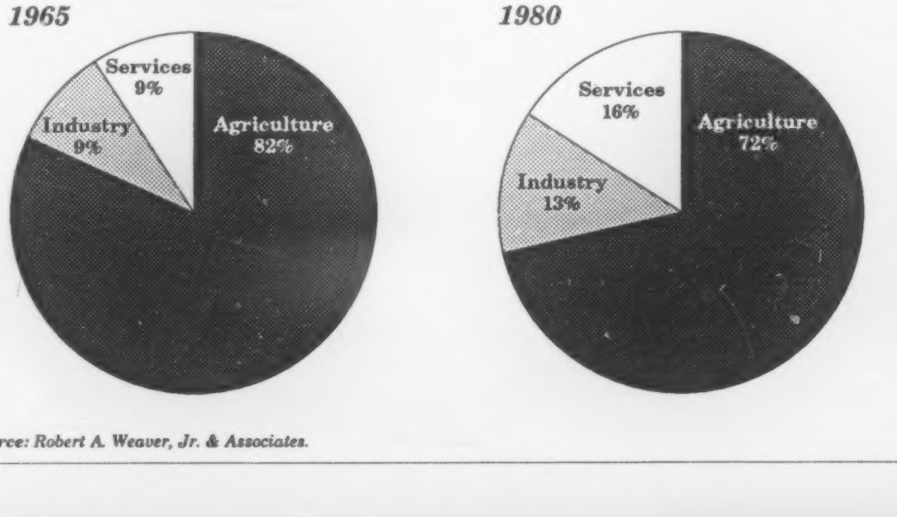
Both urban and rural population growth should slow early in the next century.
(Annual rate of population growth in urban and rural areas, in percent, 1980–2025)



Source: World Demographic Estimates and Projections, 1950–2025, *United Nations, New York, 1988, p. 176.*

FARM TO FACTORY

Despite high unemployment, many Zaïrian workers are moving from farming into industry and services.
(Labor force by sector, in percent, 1965 and 1980)



Source: Robert A. Weaver, Jr. & Associates.

number of jobs generated, type of industrial activity, training and promotion of local staff, export orientation, and value added to local resources. Most benefits under the new investment code last for five years, but some last longer, especially for mining ventures. Zaïre guarantees the repatriation of profits to foreign investors.

In addition to a new investment code, the country recently signed a bilateral investment treaty with the United States. That treaty provides additional protection to foreign investors in the areas of transfer of profits, employment of expatriate technical and managerial personnel, and dispute settlement. In 1986, Zaïre became a member of the World Bank's Multilateral Investment Guarantee Agency, which insures foreign investors against the possibilities of currency manipulation and expropriation.

ROOM TO GROW

The Zaïrian government hopes to channel foreign investment into the sectors in which the country has a natural advantage, such as timber, floriculture, and aquaculture. The government considers more than half of Zaïre's estimated 250 million acres of forests—containing over 100 varieties of lumber-producing trees—"exploitable." These forests contain types of wood that don't exist anywhere else in the world, such as African mahogany. Forestry experts predict that Zaïre could become the leading supplier of African hardwood by the mid-1990s.

Unlike the majority of African land, Zaïre's land is extremely fertile. The eastern provinces are ideal for growing perishable products—such as strawberries and fresh-cut flowers—for an expanding export market. Low labor costs, a well-run national airline for transporting cargo (Air Zaïre), and multiple growing seasons position the country favorably in these highly competitive markets.

SOURCES

Statistics on Zaïre are hard to find. While the country took a census in

URBAN SHIFT

The share of Zaïrian urbanites to the total population will shift from one-quarter to two-thirds by 2025. (Population of Zaïre, in thousands, and percent urban and rural, 1985 and projected 2025)

1985	
Total population	34,672
Percent share	*100.0%*
Urban population	8,668
Urban share	*25.0%*
Rural population	26,004
Rural share	*75.0%*
2025	
Total population	90,097
Percent share	*100.0%*
Urban population	57,717
Urban share	*64.1%*
Rural population	32,380
Rural share	*35.9%*

***Source:** National Census of Zaïre 1985;* World Demographic Estimates and Projections 1950–2025, *United Nations, New York, 1988, p. 176.*

WHO WORKS?

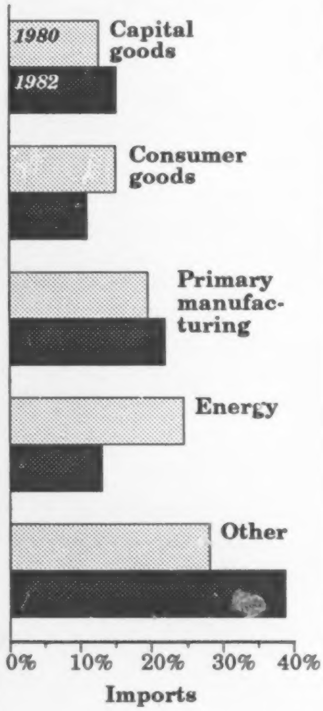
Work will cluster around middle age for Zaïrian men and women in the next century. (Labor force participation by sex and age group, in percent, 1985 and projected 2025)

	1985		*2025*	
Age group	*Women*	*Men*	*Women*	*Men*
Total	28.1%	50.2%	29.8%	51.3%
10–14	19.2	30.0	0.4	2.0
15–19	36.8	61.4	26.3	46.4
20–24	42.6	86.6	53.2	83.8
25–29	46.9	96.0	54.3	95.1
30–34	50.9	96.7	55.7	96.7
35–39	53.3	96.8	58.1	96.6
40–44	56.5	96.5	60.3	96.0
45–49	55.9	95.9	58.2	94.6
50–54	54.0	94.6	53.3	91.6
55–59	52.7	92.1	36.2	84.9
60–64	45.5	85.4	23.4	65.2
65 and older	28.9	66.2	9.7	28.6

Source: World Demographic Estimates and Projections 1950–2025, *United Nations, New York, 1988, p. 177.*

BUYING PATTERNS

Zaïrians bought fewer consumer goods in 1982 than in 1980.
(Percent share of total imports, 1980 and 1982)



Source: Africa South of the Sahara 1984–1985, *Europa Publications Ltd., London, p. 953.*

1985, most of the data will take a long time to process. The United Nations' *World Demographic Estimates and Projections, 1950–2025* includes detailed population forecasting for the country. That volume estimates urban and rural growth in Zaïre, as well as age breakdowns and labor participation rates.

The most accessible source of commercial and marketing information comes from the U.S. Department of Commerce. *Marketing in Zaïre,* part of the Overseas Business Reports series, was published in June 1984. It contains valuable export, import, and licensing information. Contact your Department of Commerce district office.

Private consulting firms specializing in Africa or in less industrialized countries also provide valuable consumer information. Many of these firms sell off-the-shelf reports, and will also conduct custom field research projects on request. Staff members frequently are trained in foreign languages. Contact the Zaïre desk at the Department of Commerce for details: (202) 377-0357.

—Patrick J. Tyrrell
Robert A. Weaver, Jr. & Associates

TRADE BALANCE

Traditionally, Belgium and Luxembourg are Zaïre's biggest trading partners.
(Imports to and exports from Zaïre, in millions of US$, 1980)

Imports	*Value of imports (US$ millions)*	*Exports*	*Value of exports (US$ millions)*
Belgium/Luxembourg	$257.6	Belgium/Luxembourg	$1,219.9
USA and Canada	155.2	USA and Canada	360.6
West Germany	154.1	France	174.3
France	124.8	Italy	153.1
Italy	71.4	Japan	134.2
United Kingdom	64.3	United Kingdom	122.0
Japan	45.6	West Germany	114.8
Netherlands	27.3	Netherlands	23.1

Note: 2.8 zaïres = US$1 in 1980. Because of inflation, the 1985 rate of exchange was 49.9 zaïres to US$1.

Source: Africa South of the Sahara 1984–1985, *Europa Publications Ltd., London, p. 953.*

***(More medicine,** continued from page 1)*

like cardiovascular disorders, hypertension, cancer, and diabetes.

Circulatory diseases, for example, are the leading causes of death in West Germany, accounting for half of all deaths, while heart disease accounts for only about 7 percent of all Indian deaths. Infectious, parasitic, and nutritional diseases, however, account for nearly one-quarter of Indian deaths.

Two signs of improving health care—and consequently a shift from infectious to degenerative diseases—are the number of doctors and the number of hospital beds that serve a given population. Both ratios dramatically increase as economies grow stronger.

In South Korea, for example, the number of doctors serving each 5,000 people rose from about 2.3 in 1974 to 3.3 in 1983. Similarly the number of beds grew from 9 per 5,000 people in 1980 to 12 in 1986. Perhaps most dramatic, the share of Koreans covered by medical insurance grew from 30 percent to 66 percent in those six years.

But Malaysia, Thailand, and the Philippines are still medically understaffed. One doctor serves nearly

4,000 people in Malaysia as well as in the Philippines. A doctor serves as many as 6,500 people in Thailand. Where doctors are hard to find, nurses, paramedics, and midwives often fill in. There are about 33,000 nurses in Thailand, for example, and nearly 30,000 nurses, midwives, paramedics, and dentists in the Philippines.

The countries with a higher ratio of doctors to people demand sophisticated hospital equipment, such as surgical, X-ray, and electronic diagnostic technology. Hong Kong imported US$428,000 worth of X-ray and electromedical equipment from the U.S. in 1979, and US$1.4 million worth of equipment in 1982. South Korea imported US$1.5 million worth of orthopedic and prosthetic appliances in 1980 and nearly doubled that dollar amount by 1986.

Asian countries with low doctor-to-population ratios demand more basic medical supplies, such as disposable bandages and pharmaceuticals. The Philippines imported US$413,300 worth of disposable equipment and US$2.8 million worth of operating-room equipment from the U.S. in 1978. The U.S. accounted for about half of their total imports in these two categories that year. By 1985, the Philippines imported US$659,000 worth of disposables and US$3.2 million in operating-room equipment.

Thailand's market for medical equipment and supplies exceeded US$80 million last year, and new hospital construction should increase the demand for intensive-care units, laser surgical instruments, electrocardiographs, and artificial respirators, according to the U.S. Department of Commerce.

Local government policies strongly influence medical markets in Asia. Singapore hopes to become the "medical center of excellence within Asia," according to government authorities. The number of Singaporean doctors nearly doubled between 1973 and 1983. "Singapore's progress in the medical field over the past 25 years has drawn it closer to its target of becoming a center of medical specialization," says Chew Chin Hin, deputy director of Singapore's Medical Services.

Overall, the world market for medical equipment is projected to exceed US$36 billion this year, an increase of 54 percent since 1982. The United States, which controls 62 percent of the medical market and specializes in high-technology products like fiber-optic instruments and ultrasonic diagnostics, benefits most from Asia's increasingly sophisticated medical needs. U.S. medical exports should grow 13 percent in value by the end of this year.

Japanese companies provide a growing share of consumer products like eyeglasses and X-ray films to Asian health facilities, and they are beginning to increase their high-technology medical trade as well. In 1985, Korea, Malaysia, and Thailand imported more medical equipment and supplies from Japan than they did from the U.S.

Japan's proximity to other Asian nations gives it an edge in delivery time, product exposure, and post-sale service. Many Asian physicians, however, were trained in the U.S. and are familiar with U.S. equipment and pharmaceutical brands.

Traditionally, Asian governments provide health care as a public service at little or no cost to consumers. But a growing number of private-sector hospitals and clinics are emerging, and the number of these facilities will expand. There were 12 private hospitals in Hong Kong in 1983—up from 7 a decade earlier, for example. As consumers gain wider access to quality care, they will come to expect a range of choice that Westerners have long taken for granted.

—Stephen Karel
Health Officer
East-West Center, Honolulu, HI

Traditionally, Asian governments provide health care as a public service at little or no cost to consumers. But a growing number of private-sector hospitals and clinics are emerging, and the number of these facilities will expand.

DISCOVER KOBE, JAPAN

Kobe households have their own Japanese tradition: buy now and save later.

UNDISCOVERED MARKETS

Although Japan's port city lies in the shadow of Osaka, the country's second-largest commercial giant, Kobe separates itself through the love of risk. As an entrepreneurial center, this southern city of 1.4 million people* attracts the international traders that a more conservative Osaka neglects.

Home to one of the early foreign settlements that opened Japan to Western commerce, Kobe is busy creating jobs, amassing revenues, and attracting 10,000 new residents a year. The city is wedged between Mount Rokko and the shore of Osaka Bay, in the center of a heavily populated corridor only 12 miles west of Osaka City.

Parts of Kobe are literally new—two massive land-reclamation projects recently added about 1,000 hectares of land in the Osaka Bay area. The new "Port Island" houses a 7,200-square-yard exhibition hall, a five-star hotel, several city parks, and housing for 20,000 people. A second addition, "Rokko Island," will include a mini-city with trade exhibition halls, office blocks, shopping centers, and housing for 5,000 more people.

Developers wasted no land in the Kobe reclamation projects. Hillsides that were flattened to create landfill for the islands are now terraced into a number of new "towns"—industrial parks with housing for employees. These "towns" have already attracted 130 companies.

KOBE AND THE NEIGHBORS

Kobe's population is growing after a five-year period of stagnation in the late 1970s. The city grew a total of 0.5 percent between 1975 and 1980. But from 1980 to 1985, growth jumped to 3.2 percent.

Kobe's growth falls short of most urban areas comparable in size, but exceeds that of surrounding cities. Osaka grew 0.5 percent between 1980 and 1985, and Kyoto grew only 0.4 percent during the same period.

** All data for Kobe are for the city proper, not the larger metropolitan area. Therefore, comparisons made to other Japanese urban areas are based on city-proper data as found in the Japanese census.*

The 1984 exchange rate was ¥244=US$1; the current exchange rate is ¥125=US$1.

KOBE CROWDS

Most Kobe wards are crowded. But Nishi, the fastest-growing ward, is one of the least dense. (Population of Kobe wards, 1980 and 1985, annual growth rate, 1980–85, in percent, and population density in persons per square kilometer, 1985)

Ward	Population 1985	Population 1980	Annual growth rate (1980–85)	Density (persons/km²)
Kobe	**1,410,834**	**1,367,390**	**0.6%**	**2,592.6**
Tarumi	224,212	212,758	1.1	7,518.8
Higashinada	184,734	183,284	0.2	6,131.2
Suma	181,966	155,683	3.4	6,692.4
Kita	177,221	164,714	1.5	732.8
Nagata	148,590	163,949	–1.9	13,861.0
Nada	133,745	142,313	–1.2	4,611.9
Hyogo	130,429	142,418	1.7	9,082.8
Chuo	119,163	115,329	0.7	5,219.6
Nishi	110,774	86,942	5.5	801.1

Source: *1985 Census of Japan.*

Kobe's population grew 3.2 percent during that period, still slower than Yokohama, Fukuoka, Hiroshima, and Kawasaki.

Of Kobe's nine wards, Nishi and Suma grew the fastest between 1980 and 1985—27 percent and 17 percent, respectively. These two wards gained nearly half of Kobe's 43,000 new residents during that period. Nagata ward is Kobe's densest, with 13,861 people per square kilometer, according to the 1985 Japanese census. Nishi ward is growing fast, but it is Kobe's least dense, with only 801 people per square kilometer.

SPEND MORE, SAVE LESS

Kobe residents are big consumers. Not only does the average Kobe worker household make more money than the average worker household in Osaka or Kyoto, but also the Kobe household spends more and saves less.

Kobe worker households in 1984 made an average of US$1,818 per month (at 1984 exchange rates), compared with $1,474 for Osaka worker households and $1,601 for Kyoto worker households. In after-tax income, Kobe worker households had about $1,474 a month to spend, compared with $1,433 for all Japanese worker households. Kobe worker households also had more after-tax income than Osaka and Kyoto worker households, which averaged $1,290 per month and $1,368 per month, respectively.

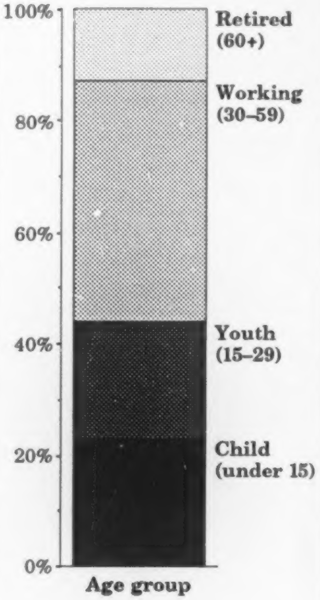
Kobe residents spend the extra money they earn. Kobe worker households saved only 7.5 percent of their after-tax income in 1984, well below the national average of 17.5 percent for all Japanese worker households that year. Both Osaka and Kyoto worker households saved more—12.5 percent and 10.8 percent, respectively.

Kobe is a white-collar city. Nearly 28 percent of the city's labor force worked in wholesale and retail trade, 20 percent in services, and 12 percent in finance, insurance, and government in 1980. Another 22 percent worked in manufacturing, 10 percent worked in transportation and communication, and the remaining 8 percent worked in construction that year.

(continued on page 15)

AGE REPORT

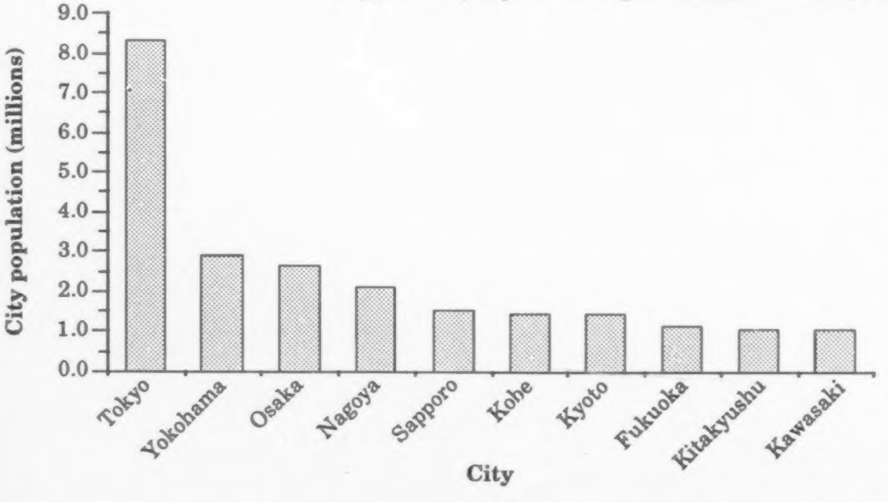
Thirteen percent of Kobe residents are aged 60 and older. (Kobe population by age group, in percent, 1980)



Source: 1980 Census of Japan.

JAPAN'S TOP TEN

One-fifth of all Japanese live in the country's ten largest downtown areas. (Population of Japan's 10 largest cities, in millions, 1985)*



** Note: These data refer only to the city proper. They do not include surrounding metropolitan areas.*

Source: 1985 Census of Japan.

BRASS AND FERN DIETS

If you're eating fried chicken, you could be sitting in Macon, Georgia, or Beijing, China. Are world diets converging?

PRODUCT COMPARISON

Urban Americans complain of the "brass and fern syndrome." That's the discomfort of knowing you're in a city restaurant but not knowing exactly which city or which restaurant. They all look so much alike—dim lights, light rock music, brass, and ferns.

Now that Brazilians can buy Dunkin' Donuts in São Paulo, Soviets can savor pan pizza in Moscow, and Finns can slurp Tofutti in Helsinki, are people's eating habits going the way of the brass and the fern?

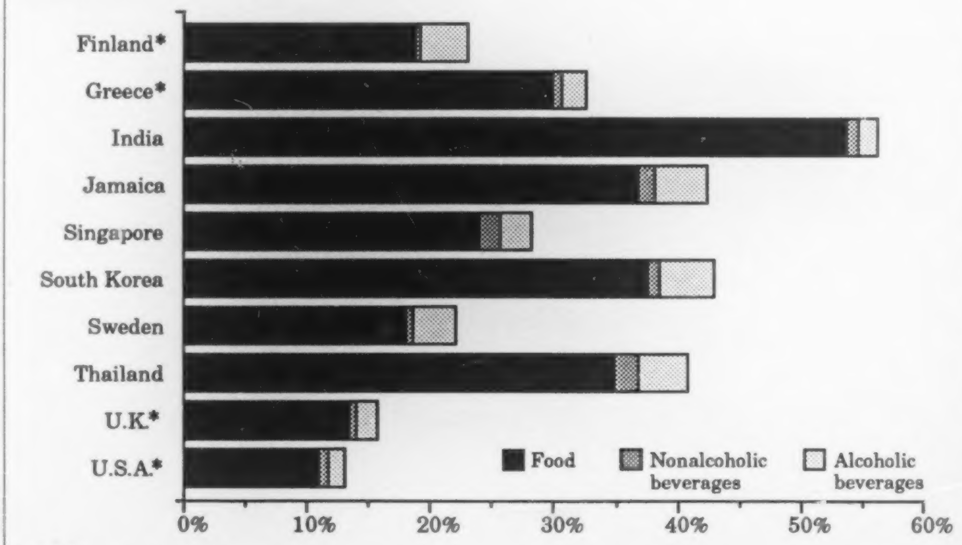
In average nutritional value, world diets are converging. Take Japanese and American eating habits, for example. In 1955 the traditional Japanese diet consisted mainly of rice, fish, and vegetables. Carbohydrates—mostly rice—provided fully 80 percent of the Japanese daily calorie supply, according to the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF). Fats made up only 9 percent of the caloric intake, and proteins about 12 percent. In general, Americans ate much more fat and fewer carbohydrates than the Japanese.

Now that the Japanese have more choices about what they can eat, their caloric intake is beginning to resemble that in the U.S. In 1985 the daily Japanese diet was approximately 60 percent carbohydrates, 13 percent proteins, and 27 percent fats, according to MAFF's Food Balance Sheet. In the U.S., the percentages were 43 percent carbohydrates, 12 percent proteins, and 45 percent fats.

Today, all major food groups except rice are more popular among the Japanese. A Japanese adult ate an average of 11 ounces of rice, 2 ounces of fruit, half an ounce of meat, 1 ounce of dairy products, and 3 ounces of fish a day in 1960. Today, someone in Tokyo or Osaka eats about 7 ounces of rice, 4 ounces of fruit, 2 ounces of meat, 6 ounces of dairy products, and 3 ounces of fish each day.

FOOD FUNDS

Indians spend a relatively large share of their incomes on food. (Percent of total budget spent on food, alcoholic, and non-alcoholic beverages, in percent, 1982)



** Note: Data are for 1983.*

Source: U.S. and World Food, Beverages, and Tobacco Expenditures, 1970–1983, *U.S. Economic Research Service, Washington, D.C., U.S. Department of Commerce, National Technical Information Service, October 1986.*

The world's tasty treats also are gaining global recognition: Pepperidge Farm cookies (available in 7-Eleven stores), Campbell's soup, Häagen-Dazs ice cream, and the ubiquitous Big Mac all are finding their way into Japanese meals. New Japanese domestic hits include a canned coffee drink (the most popular soft drink in the country), edible fruit snacks that look like business cards, iodine-fortified eggs, and yellow vegetables shaped like potato chips.

Children benefit from the added variety. According to the 1984 Japanese *National Nutrition Survey*, the average height of an 11-year-old boy increased from 52 inches in 1950 to 57 inches in 1980. The average weight of an 11-year-old Japanese boy also increased from 62 pounds to 79 pounds during those 30 years.

Not only are people's menus beginning to look alike, but their lifestyles are too. The forces behind the restaurant and microwave revolution in the United States—smaller families and working women—are gaining steam in Europe and Japan. The average household size in Japan fell from 4.9 people in 1955 to 3.2 in 1985. The female share of workers in nonagricultural industries rose from 30 percent in 1960 to 36 percent in 1985.

More than half of all women aged 15 to 64 in France, the United Kingdom, and West Germany now work. The average household size in the United Kingdom fell from 3.1 people in 1961 to 2.6 in 1984. In West Germany average household size fell from 2.7 people in 1970 to 2.5 in 1981. One in every four households in France was a one-person household in 1982. Because of these trends, microwavable and convenience foods are catching on in Europe nearly as fast as they are in the United States. Sales of refrigerated processed foods now account for 40 percent of all food dollars spent in Europe, according to *Food Processing* magazine.

Eating out absorbs more food dollars as well. In 1970 the Japanese spent about 15 percent of their food dollars in restaurants, according to MAFF. By 1980 that share reached 18 percent, and it is forecast to top 24 percent by 1990.

The same fast-food restaurants that serve rural Mississippi also serve downtown Hong Kong. Pizza Hut, Domino's Pizza, Kentucky Fried Chicken, and even Mrs. Field's Cookies and Ice Cream Express are located in this bustling Asian port. Fast-food restaurants account for about 15 percent of Hong Kong's restaurant revenues, while they account for about half of restaurant revenues in the U.S. The global taste-bud is on the way.

—Blayne Cutler

In 1970 the Japanese spent about 15 percent of their food dollars in restaurants. By 1980 that share reached 18 percent, and it is forecast to top 24 percent by 1990.

COUNTING CARBS

Japanese are eating fewer carbohydrates, more fats, and more proteins. Their diets now look Italian or French.
(Ratio of proteins, fats, and carbohydrates to total caloric intake, by country, 1982)*

Country	*Proteins*	*Fats*	*Carbohydrates*
India	9.7%	14.3%	76.0%
Brazil	9.5	17.6	72.9
Japan	**12.8**	**28.0**	**59.2**
Italy	12.8	34.0	53.2
U.S.A.	12.2	45.0	42.8
France	13.3	46.9	39.8

** Note: Japanese data are for 1984. Indian data are averaged from 1979 to 1981.*

Source: Dietary Trends in Japan, *JETRO Agriculture Dept., Tokyo, Japan, 1987, p. 4.*

REGIONS: CONSUMER TRENDS AROUND THE WORLD

In the United States it's against the law; in Sénégal it's the general rule—nearly half of all married women share a husband, according to *Enquête Démographique et de Santé au Sénégal 1986.* This new addition to the Demographic and Health Survey series was produced by the Institute for Resource Development and the government of Sénégal.

Fully 47 percent of all married women in Sénégal are just one of their husbands' several wives. Rural women with little education are the most likely to live polygamously. Forty-nine percent of rural women live in such a union, while 41 percent of urban women do.

Polygamy drops sharply with education. Of all married Sénégalese women, half of those with no education are polygamous, about 36 percent of those with a primary education are, and 27 percent of those with a secondary education or higher are.

Older women are most likely to be members of a crowded union. Sixty-two percent of Sénégalese women aged 45 to 49 live polygamously, compared with only 33 percent of women aged 20 to 24.

For more information on Sénégalese women, contact the Demographic and Health Survey, IRD/Westinghouse, P.O. Box 866, Columbia, MD 21044.

INTERNATIONAL DEMO MEMO

Number of university students who share one computer terminal or personal computer:

United States	*8*
Great Britain	*12*
West Germany	*100*

Source: Germany—**Focus on Scientific and Technical Information,** *German National Research Center for Computer Science, vol. 4, no. 1, April 1988, p. 6.*

Practical study is on the rise in Spain. The number of students enrolled in private-sector vocational programs in Spain more than tripled from 1976 to 1983, according to the European Economic Community's *Vocational Training in Spain.*

Spanish students in all vocational programs doubled, from 305,000 in 1976 to 651,000 in 1983. Vocational training in the private sector grew from 185,000 to 288,000, while training in the public sector grew from 120,000 to 363,000. The share of public-sector vocational students among all vocational students grew from 39 percent to 56 percent during the same period.

More women are going to vocational school in Spain than ever before. The share of vocational señoritas grew from fewer than one-third of the total to more than 40 percent by 1983. In private-sector vocational training, more than half of all students are women.

Turning gravestones into bedroom sets? In Siberia the practice may be only one step away, according to the *World Press Review.* A letter written by a Soviet funeral-bureau employee to the newspaper *Pravda* explains that not enough people are dying in the city of Komsomolsk-na-Amure to make the official target of gravestone sales. So the gravestone industry must now sell to the living.

By selling gravestones "in preparation," funeral-bureau employees hope to keep their annual bonuses. But the letter-writer seemed skeptical: "People do not buy coffins and gravestones to store them. It is not a bedroom set, as the regional financial office seems to think."

NORTH AMERICA

Canadians strike it rich: Total household assets rose 10.6 percent in 1987, according to Statistics Canada. The country's total wealth grew to US$1.6 trillion last year—up 8.4 percent from 1986. Canadians are buying more homes and consumer durables now than at any other time since 1982.

But more money doesn't make Canadians healthier. Nearly 1 million people missed at least two consecutive weeks of work in 1986, according to *The Labour Force*. These sick employees accounted for about 8 percent of all Canadians who held down paid work during that year. About one-half of these absentees were actually sick, one-third had an accident, and one-fifth were pregnant.

For more information, contact the Labour and Household Surveys Analysis Division, Statistics Canada, R. H. Coats Building, Tunney's Pasture, Ottawa, Ontario K1A OT6.

*(**Kobe**, continued from page 11)*

Of Kobe's 434,000 worker households, about 18 percent were one-person households in 1980. That share is low compared to that of most Japanese cities of comparable size. Nearly one-quarter of all Kyoto, Sapporo, and Fukuoka worker households were single-person households in 1980, for example. Only Kitakyushu had a smaller share of single-person households than Kobe, at 16 percent.

Fully 13 percent of Kobe residents are aged 60 or older, while fifteen percent of all Japanese are aged 60 or older. Sixty-four percent of both Kobe residents and all Japanese are of working age (15 to 59), and less than one-quarter of both groups are under age 15.

—Denise Rusoff

CITY STATS

BREATHE DEEPLY

Some of the most beautiful cities are also the most polluted.
(Population in thousands, 1985, and sulphur dioxide concentration, in $\mu g/m^3$, 1983)*

Urban area	*Population (thousands)*	*Pollution level*
Milan, Italy	57,128	127†
Berlin, Germany	61,015	67
Liege, Belgium	9,857	63†
Barreiro/Seixal, Portugal	10,230	62
Paris, France	55,162	61
London, United Kingdom	56,618	60
Montréal, Canada	25,379	37†
Rotterdam/Rijnmond, Netherlands	14,484	37
Sydney, Australia	15,752	32†
Kawasaki, Japan	120,754	28
Detroit, USA	239,283	26
Oslo, Norway	4,148	17

* *Annual average of daily concentrations in micrograms per cubic meter.*
† Data for 1982.

Source: Final Statistical Summary 1985, *in* OECD Observer, *no. 145, April/May 1987.*

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PUBLICATIONS

Living in Colombia, William R. Hutchison, Cynthia A. Poznanski, and Laura Todt-Stockman; Intercultural Press, P.O. Box 768, Yarmouth, ME 04096, US$15.00.

As a foreign businessperson living in Colombia, you could try several tactics to boost your sales. But the techniques that work in the U.S.—cold-calling prospective clients, spending money on costly promotions, and scheduling as many appointments as possible in one day—will not work in Colombia.

Living in Colombia explains the relationship between culture and business so that foreigners can prepare for difficult social and commercial challenges.

The authors show that time is more flexible in Colombia than in the United States. "Keep in mind when you set a timetable or deadline that it may actually mean a later date for the Colombian. . . . Colombians almost always expect that deadlines will slip to some degree."

Formality is crucial to Colombian culture and this often sends unintentional messages to foreign visitors. "This formality," according to Hutchison, Poznanski, and Todt-Stockman, "causes some foreigners to perceive Andean Colombians (especially Bogotanos and the upper classes) as cold, rigid, and distant, somewhat the way the British upper classes are often perceived."

Colombia has more major cities than do most Latin American countries. More than 4 million people live in Bogotá, more than 2 million live in Medellín and Cali, and about 1 million live in Barranquilla. Cartagena, Bucaramanga, Cúcuta, and Pereira are other large urban areas.

In the next century, rapid urbanization will squeeze housing, jobs, and other social services in these cities. The book familiarizes outsiders with domestic issues that press on daily Colombian life. From the subtle to the obvious, cultural differences between Colombia and the United States can become a source of friction if not properly understood.

—Blayne Cutler

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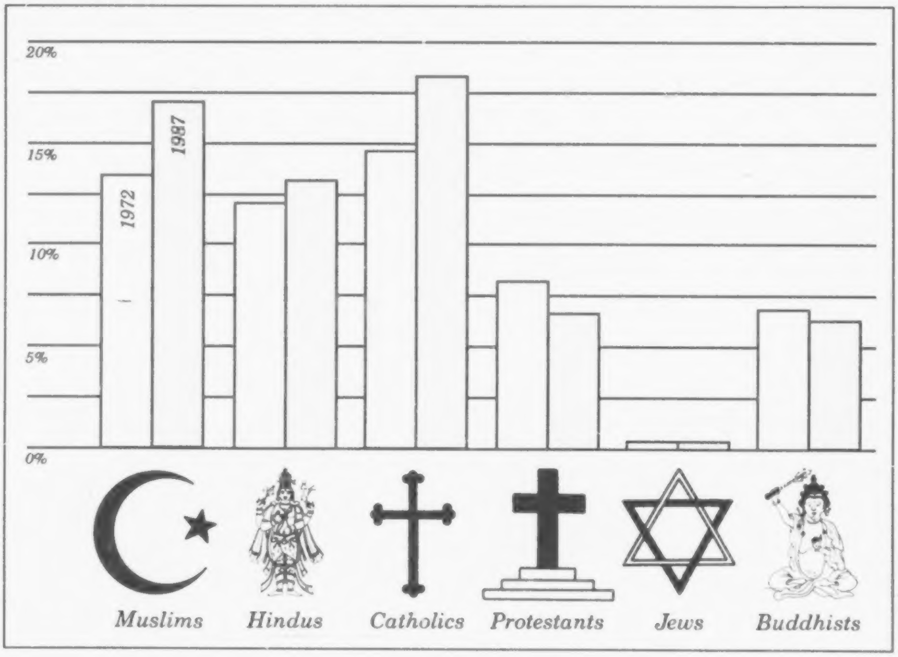
Consumer markets abroad

IN DEPTH / SHANGHAI P. 2 UNDISCOVERED MARKETS / MILAN P. 10 PRODUCT COMPARISON / SMOKING P. 12 REGIONS P. 14 PUBLICATIONS / VIDEO REVIEW P. 16

WORLD PIETY COUNT

HOW MANY BELIEVERS?

Almost half the world's people are now Muslim, Hindu, or Catholic. Many of them live in the world's poorest regions. (Religious adherents as percent of world population, 1972 and 1987)



Source: *"Estimated Religious Population of the World," The 1987 Encyclopedia Britannica Book of the Year; S. Brook, "Ethnic, Racial and Religious Structure of the World Population,"* Population and Development Review, *vol. 5, no. 3, September 1979.*

The world's fastest-growing religions are most popular in low-income regions of the world.

LIFESTYLES AROUND THE WORLD

Businesses must understand the lifestyles of Muslims and Hindus—two of the world's fastest-growing religions—to succeed internationally. Although one-third of the world's five billion people belong to some Christian faith, Muslims and Hindus live in regions of high population growth—Asia, Africa, and Latin America.

Muslims today number nearly 1 billion. That means one in five people is an adherent of Islam. It is the predominant faith in 40 countries. And in 28 of those countries, believers in Islam make up 90 percent of the population, according to demographer Nazy Roudi.

Indonesia is the world's largest

(continued on page 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 8 AUGUST 1988

SHANGHAI'S CHANGING FORTUNE

The volume of Shanghai's 12 million consumer voices is rising. That makes leaders in China's largest municipality nervous.

IN DEPTH

Few foreigners realize that Shanghai outnumbers Beijing by 2.5 million people. China's largest municipality rivals Mexico City, Tokyo, and New York City in population. Fully 12.2 million Chinese now make Shanghai the fifth largest urban area in the world.

Shanghai's numbers present either an opportunity or a threat to municipal leaders, now that China's Communist Party general secretary Zhao Ziyang is pushing economic reform further ahead. Incomes are skyrocketing up and down the east coast, and consumers expect to match the gains of their comrades in Beijing and Guangdong. But Shanghai's urbanites are beginning to lag behind, a position that these cosmopolitan Chinese find hard to accept.

VITAL LINK

Shanghai, meaning "on the sea," is one of three municipalities under the direct administration of China's central government. Along with Beijing and Tianjin, Shanghai functions as a province. This year the municipality gained greater control over its own economy, a measure that gives newly-elected mayor Zhu Rongji a chance to address the growing consumer frustration.

About 2,400 square miles (or 6,200 square kilometers) in area, the municipality is located on the Huangpu River, 10 miles upstream from the Chang Jiang (Yangtse) River. Waterways link Shanghai to major inland cities, such as Nanjing, Chongqing, and Wuhan. They also make the city a key international trading center. The port of Shanghai is China's largest and ranks in the world's top ten.

CITY MUSCLE

Ten suburban counties and 12 downtown districts make up the Shanghai municipality. More than half of the Chinese in the municipality—or 7.5 million people—live in Shanghai City's 12 districts. These districts only cover 131 square miles of municipal territory.

The focal point of Shanghai's consumer and tourist activity is the

SHANGHAI SQUEEZE

Shanghai is China's most crowded city, but it is also one of China's most educated. (Shanghai population, 1982, density, in persons per square kilometer, 1982, and percent literate, 1982)*

	Total population	*Density (per km²)*	*Percent literate*
Total Shanghai municipality	11,859,700	1,913	**83.3%**
Shanghai City	6,320,829	28,357	**88.8**
Shanghai County	587,652	1,300	**81.4**
Baoshan	436,277	1,054	**80.6**
Chuansha	663,675	1,410	**80.5**
Jiading	521,255	1,064	**79.2**
Chongming	755,481	793	**76.3**
Nanhui	657,504	980	**76.3**
Fengxian	507,451	812	**74.0**
Jinshan	498,292	830	**72.4**
Qingpu	433,035	639	**71.2**
Songjiang	478,249	802	**70.7**

* ***Note:*** *According to the Chinese, a literate person is one who knows at least 1,500 Chinese characters, is able to read simple books and newspapers, and can write simple messages.*
Source: *Population Census Office of the State Council, and the Institute of Geography of the Chinese Academy of Sciences,* The Population Atlas of China, *Hong Kong: Oxford University Press, 1984, Appendix 1, pp. 168–169.*

Consumer markets abroad

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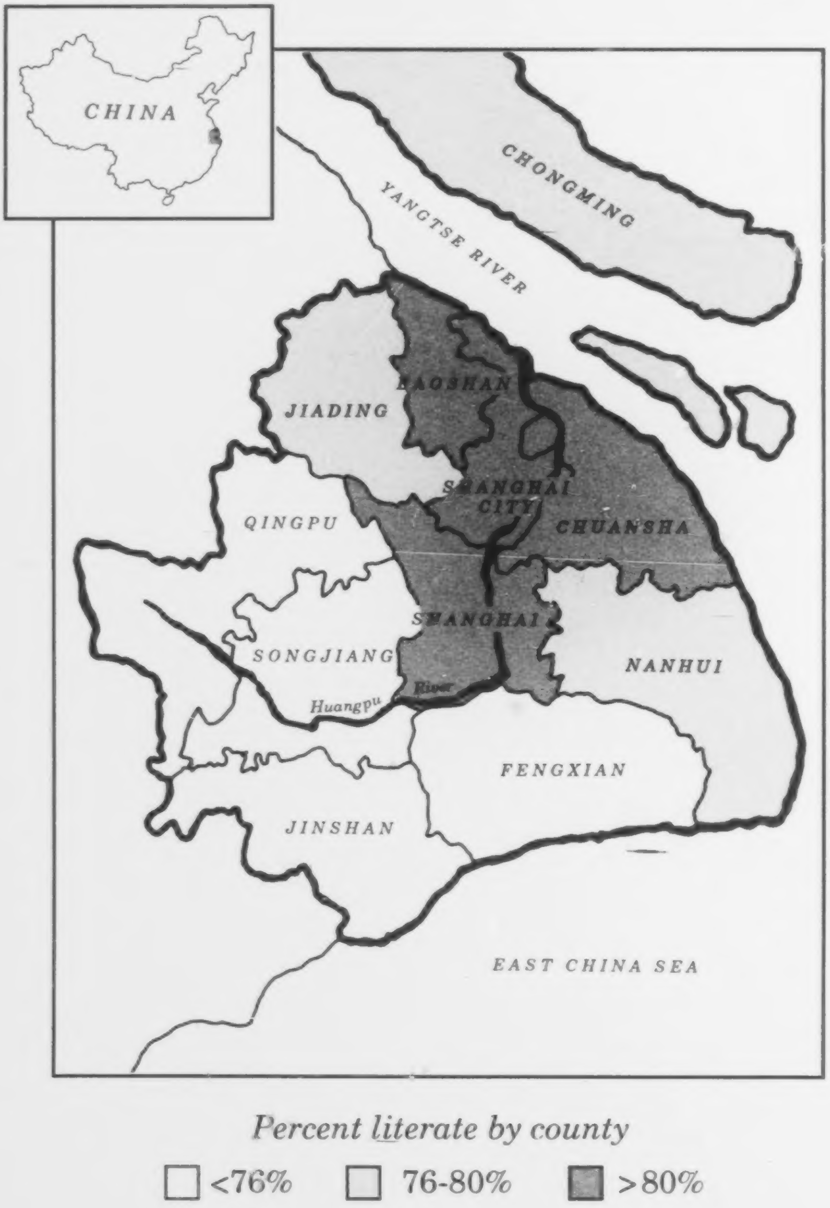
Bund. This wide European-style avenue at the juncture of the Huangpu and Wusung rivers has served as a major commercial center since the Song Dynasty (960–1279 AD).

Built by Westerners for Western use, the Bund continues to symbolize foreign influence in China. During the peak of westernization at the turn of the century, Chinese were

URBAN ELITE

Despite Shanghai's crowds, it's the city of choice for many Chinese. Wages are high, stores are stocked, and people are educated. (Shanghai counties by literacy rate, in percent, 1982)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CHUANSHA
QINGPU
SHANGHAI
SONGJIANG
NANHUI
Huangpu River
FENGXIAN
JINSHAN
EAST CHINA SEA
Percent literate by county
☐ <76%
☐ 76-80%
▨ >80%

Source: Murphey, Shanghai, *in Mattei Dogan and John D. Kasarda (editors),* The Metropolis Era, *vol. 2,* Mega-Cities, *Newbury Park, CA, Sage Publications, 1988, p. 184.*

More than half of the Chinese in the Shanghai municipality—or 7.5 million people—live in Shanghai City's 12 districts. These districts only cover 131 square miles of municipal territory.

prohibited from walking along this avenue in their own city. Today, with Deng Xiaoping's "Open Door Policy," the Bund is once again a major site for foreign commerce and tourism.

Shanghai's outlying counties are more homogeneous than the city proper. About one-half million people live in each of the ten counties. Chongming Island is the most populous, according to the 1982 census. With 755,000 people, Chongming outnumbers Nanhui and Chuansha counties by about 100,000.

But Chongming County is one of Shanghai's least dense. Only 793 people live on one square kilometer of land. Qingpu has the fewest people per square kilometer—639.

Although Beijing is the country's capital, Shanghai is China's trendsetter. For the newest developments in fashion, literature, business, education, and the arts, everyone looks to Shanghai. Recently, with so many goods flooding in through Hong Kong, Guangzhou has begun to share acclaim as China's cosmopolitan center.

Overall, Shanghai has some of the highest educational enrollments in the country, with 45 full-time universities and vocational institutes.

AGE REPORT

Shanghai, Beijing, and Tianjin have the highest share of working-age Chinese. (Population of Chinese provinces and municipalities by median age, in years, and by age group, in percent, 1982)

		Percent share		
Region	*Median age*	*0–14*	*15–64*	*65+*
Mainland China	22.9 years	33.6%	61.5%	4.9%
Anhui	20.2	36.2	59.8	4.1
Beijing	27.2	22.4	72.0	5.7
Fujian	20.7	36.5	59.1	4.4
Gansu	20.1	36.3	60.2	3.5
Guangdong	22.5	33.9	60.7	5.4
Guangxi	20.0	37.5	57.4	5.1
Guizhou	18.8	40.9	54.5	4.7
Hebei	24.7	30.8	63.5	5.7
Heilongjiang	21.5	34.9	61.7	3.4
Henan	22.3	34.9	59.9	5.2
Hubei	23.1	32.7	62.3	5.0
Hunan	22.5	33.9	61.1	5.0
Inner Mongolia	21.1	35.5	60.9	3.6
Jiangsu	25.5	29.0	65.6	5.6
Jiangxi	19.7	38.8	56.7	4.5
Jilin	22.3	33.2	62.9	4.0
Liaoning	24.6	28.7	66.5	4.8
Ningxia	18.4	41.3	55.5	3.2
Qinghai	18.5	40.6	56.8	2.7
Shaanxi	22.9	33.1	62.4	4.6
Shandong	24.6	31.0	63.3	5.6
Shanghai	29.2	18.2	74.0	7.4
Shanxi	23.0	33.4	61.6	5.0
Sichuan	23.4	34.4	61.0	4.7
Tianjin	26.7	24.2	70.2	5.6
Tibet	21.5	36.6	58.8	4.6
Xinjiang	19.5	39.6	56.8	3.7
Yunnan	19.4	39.2	56.3	4.5
Zhejiang	24.7	29.3	64.9	5.8

Source: *China Financial and Economic Publishing House,* New China's Population, *MacMillan Publishing Co., New York, 1988, p. 125.*

GROWTH TO SLOW

Shanghai's status as China's most populous city is not new. Even in 1950, one year after the founding of the People's Republic, Shanghai was the third-largest city in the world. The government's latest effort to stop urban migration, along with the success of the "One-Child Policy," should bring the annual average growth rate to about 0.7 percent this year.

By 2000, 13.5 million Chinese will live in Shanghai, and the municipality should fall to the world's eighth most populous metropolitan area, according to United Nations projections. Calcutta, Bombay, and Seoul will move ahead of Shanghai.

CITY SMARTS

Shanghai city has almost four times as many university graduates per 10,000 people as its closest neighboring county. Overall, the municipality has some of the highest educational enrollments in the country, with 45 full-time universities and vocational institutes. Fudan, one of China's most prestigious universities, is located on the city's outskirts.

Nearly 830,000 children attended Shanghai primary schools in 1984, 610,000 went to middle school, and 95,000 participated in undergraduate or graduate programs in the municipality. In addition, about 75,000 adults went back to college: 21,000 of these students took radio or TV correspondence courses in 1984.

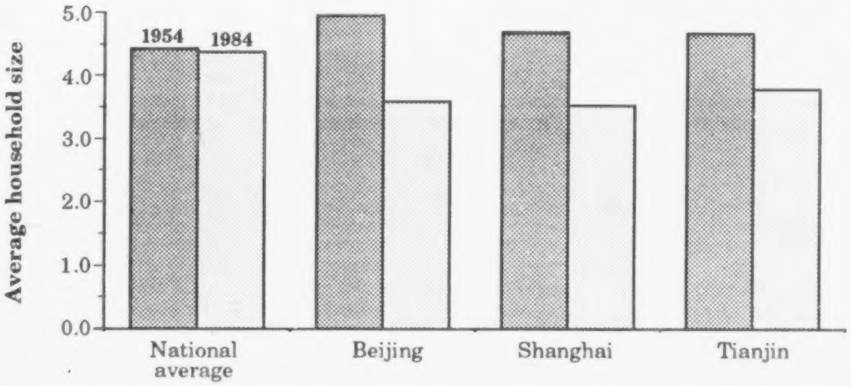
RETAIL BOOM

Despite the fact that Guangzhou and Tianjin have more stores than Shanghai, the value of Shanghai's retail sales is greater than that of any other Chinese city. In 1984 the city was home to nearly 56,000 retail stores, which employed 318,000 people. Shanghai residents bought RmB12.98 (US$5.59) billion worth of consumer goods in 1984, and Chinese outside the municipality spent nearly as much on Shanghai-made goods.

Almost half of Shanghai's 12 million people work. In 1984 fully 464,000 people worked in commerce, service trades, and catering, according to the State Statistical Bureau. Of that total, 318,000 worked in retail sales, 78,000 worked in service capacities, and 68,000 worked in catering.

WHO'S HOME?

Urban households are shrinking in size, while rural households are growing. (Average size of family households in selected Chinese cities, 1954 and 1984)



***Source:** China Financial and Economic Publishing House,* New China's Population, *MacMillan Publishing Co., New York, 1988, p. 144.*

TOWARD ONE BILLION

Until 1982, China's population was growing fast, especially in the northwest. (Chinese annual population growth by province, 1964–1982)

National total	**2.07%**
North	
Beijing	1.08
Tianjin	1.21
Hebei	1.65
Shanxi	1.88
Inner Mongolia	2.48
Northeast	
Liaoning	1.57
Jilin	2.02
Heilongjiang	2.69
East	
Shanghai	0.51
Jiangsu	1.71
Zhejiang	1.76
Anhui	2.58
Fujian	2.41
Jiangxi	2.52
Shandong	1.63
Central South	
Henan	2.17
Hubei	1.94
Hunan	2.07
Guangdong	2.13
Guangxi	2.51
Southwest	
Sichuan	2.13
Guizhou	2.84
Yunnan	2.58
Xizang	2.30
Northwest	
Shaanxi	1.84
Gansu	2.43
Qinghai	3.31
Ningxia	3.41
Xinjiang	3.26

***Source:** Bannister, Judith,* China's Changing Population, *Stanford University Press, Stanford, CA, October 1987.*

BACK TO SCHOOL

Chinese adults are using the television as a classroom. (Number of adults enrolled in higher education, and number enrolled in radio and TV correspondence classes, total China and selected municipalities, 1984)

Municipality	*Number enrolled*
Total China	**1,158,317**
Of which:	
Radio & TV students	538,842
Beijing	**70,065**
Of which:	
Radio & TV students	23,741
Tianjin	**40,329**
Of which:	
Radio & TV students	16,716
Shanghai	**74,921**
Of which:	
Radio & TV students	21,477

Source: China's Urban Statistics 1985, *State Statistical Bureau, People's Republic of China, Longman Group Ltd., and China Statistical Information and Consultancy Service Centre, pp. 592–593.*

SUBURBAN BREADBASKET

Virtually no one in Shanghai city farms, but about half of all workers in the surrounding counties do. About 62 percent of the Chinese in Qingpu County, and 59 percent on Chongming Island, work in agriculture.

More than 93 percent of Shanghai's land is rural. The warm climate makes suburban Shanghai an extremely fertile region, one which produced RmB4.74 (US$2.04) billion worth of agricultural goods in 1984. The high yields resulted from a combination of mechanized farming, modern irrigation systems, and good weather.

Shanghai produced 2.53 billion tons of grain, 103,000 tons of cotton, and 116,000 tons of rapeseed in 1984. Major agricultural exports include rice, canned vegetables, edible oils, frozen poultry, pork, and tea.

INDUSTRIAL SLUMP

Traditionally, Shanghai's reputation has rested on industry, a sector that currently is losing ground to southern industrial enterprise. With a strong base in machinery, chemicals, and electronics, Shanghai's 2.6 million industrial workers must try to make technologically sophisticated products with increasingly outdated equipment.

Last year, China's overall industrial output grew 14.6 percent, while Shanghai's grew 6.8 percent. Only Tibet grew more slowly between 1984 and 1987. Since Shanghai produces about one-ninth of China's total industrial output, the problem is serious. In fact, Jiangsu Province replaced Shanghai in 1985 as the country's leading industrial region.

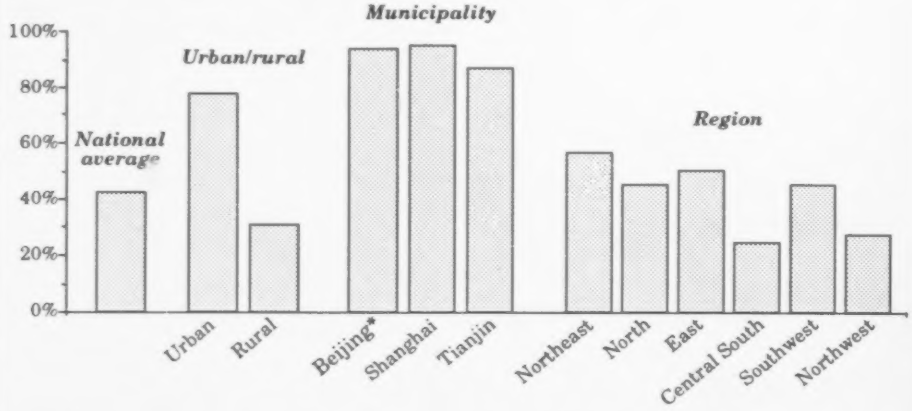
Shanghai already produces a large share of consumer goods—25 percent of all sewing machines, 33 percent of all wristwatches, 40 percent of all cameras, and almost 28 percent of Chinese television sets. But aggressive cities, such as Guangzhou, are moving ahead fast.

CHINA'S DREAM

To shake the city out of this industrial slump, leaders are now giving Shanghai more local control of its economy. Since 1985, China's central government has allowed the city

ONE-CHILD FAMILIES

Urban families along China's eastern seaboard are the most willing participants in the one-child program. (Percentage of childbearing-age couples who pledge to have only one child, by selected attributes, 1982)



*• **Note:** Data for 1983.*
***Source:** Judith Banister,* China's Changing Population, *Stanford University Press, Stanford, CA, 1987, p. 188.*

to keep one-quarter of its revenue, up from one-tenth. This year, the mayor will retain even more revenue—an added incentive to stem the rising tide of consumer concern.

For many Chinese the prospect of living in Shanghai has always been a dream. Wages are higher, and the city offers more of life's basic amenities than other parts of the country. In China's vast rural regions, where nearly 80 percent of the population live, higher incomes can be useless because there are no goods to buy.

But lately the dream of living in Shanghai is clouded by rising prices, food rations, and work shortages. The prices of poultry, beef, fish, and vegetables have risen more than 17 percent annually in the past two years. To head off mass upheaval, pork and sugar rations began in major cities last year.

Although wages are still rising, the Chinese worry that increasing incomes won't be able to keep pace with inflation. Industrial wages (not adjusted for inflation) grew 23 percent annually between 1983 and 1986. After a bumper harvest in 1984, rural incomes rose 37 percent, to RmB603 (US$260) a year.

BIG PLANS

Most of Shanghai's infrastructure is old and in need of repair. Mayor Zhu's urban-development plans are ambitious. They are devised with an eye toward boosting foreign investment and trade. In 1986 Shanghai spent RmB1.4 billion (US$375 million) on public facilities and infrastructure, a 35 percent increase over the year before. This year, with the help of foreign funding, the municipal government will increase development spending.

To relieve traffic congestion, Shanghai planners hope to complete a 106-mile subway system costing more than US$1 billion by 1995. The new subway system will handle from 600,000 to 1 million passengers each day.

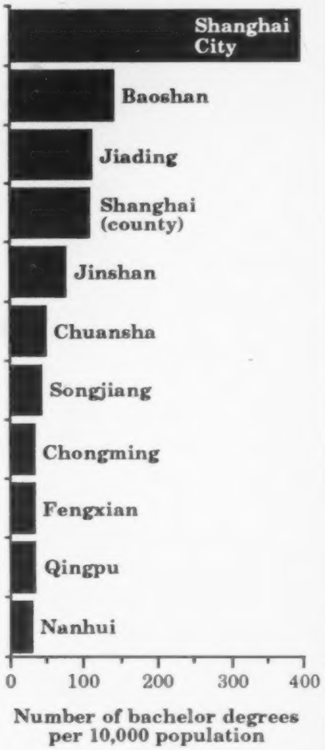
The city is also addressing an acute housing problem. From 1981 to 1985, Shanghai devoted RmB3.4 (US$1.5) billion to the renovation of old districts and the construction of new industrial "towns" such as Minhang and Hongqiao on the city's outskirts. During that time, about 270 million square feet of housing went up—more than the total volume of housing construction from 1950 through 1980.

TRADE FAIR

More than one-half of China's domestic and foreign trade passes through Shanghai by air, rail, and ship. In 1985 Shanghai became one

SHANGHAI GRADUATES

Most college-educated Chinese live in Shanghai City. (Number of bachelor degrees per 10,000 population, 1982)



Source: *Population Census Office of the State Council, and the Institute of Geography of the Chinese Academy of Sciences,* The Population Atlas of China, *Hong Kong: Oxford University Press, 1984, Appendix 1, pp. 168–169.*

SHOESTRING BUDGETS

As consumer prices rise, Shanghai residents change their spending patterns. (Distribution of per capita living expenditures in Shanghai municipality, in percent, 1981–83)

	1983	*1982*	*1981*
Total	100.0%	100.0%	100.0%
Food	47.2%	49.7%	50.8%
Clothes	9.0	8.7	11.1
Fuel	2.5	2.8	3.2
Housing	29.8	26.0	21.4
Daily use	10.7	11.4	12.0
Culture, recreation	0.8	1.3	1.5

Source: *Taylor, Jeffrey R. and Hardee, Karen A.,* Consumer Demand in China: A Statistical Factbook, *Westview Press, 1986, pp. 154–169.*

of the four major coastal "open cities," a distinction that gives local decision-makers the power to approve business deals worth US$30 million. Local managers also can trade directly with foreign partners.

The Shanghai Municipal Foreign Economic and Trade Commission (SMFETC) will allow free market decisions to dominate joint ventures. By September 1985, foreign firms had signed 141 joint-venture contracts with local enterprises, 73 between 1984 and 1985 alone. The total value of this investment amounted to US$408 million.

Nearly one-third of Shanghai's joint-venture projects involve the hotel industry. Thirty new hotels are currently under construction. The municipality's hotel-room capacity will increase from 5,442 rooms to about 20,000 rooms by 1990—a 267 percent increase.

Of Shanghai's foreign investors, more than half were from Hong Kong in 1985. Sixteen percent were from the United States, and 13 percent were from Japan. Western European countries only signed ten joint-venture projects with Shanghai by 1985.

TRADE ROUTES

In 1984 Shanghai's port had 95 land berths, 102 floating berths, and handled 101 million tons of cargo. Because of Shanghai's proximity to the Pacific, its ocean-going vessels reach more than 100 countries. The city's new railway station is less than one year old. As the hub of major coastal routes, the station serves almost 40 domestic passenger lines.

—Dudley Poston, PhD
Cornell University

LONG LIFE

Chinese who live in Shanghai municipality can expect to enjoy 11.5 more years than those who live in rural Guizhou province. (Average life expectancy in China, by sex, 1982)

Area	*Life expectancy*
China	**67.9 years**
Men	66.4
Women	69.4
Shanghai	**72.9**
Men	70.5
Women	75.1
Beijing	**71.9**
Men	70.5
Women	73.4
Ningxia	**65.5**
Men	64.7
Women	66.4
Guizhou	**61.4**
Men	61.1
Women	61.6

***Source:** China Financial and Economic Publishing House,* New China's Population, *MacMillan Publishing Co., New York, 1988, p. 55.*

INCOME REPORT

Aside from northwestern provinces, where workers receive "hardship" bonuses, Shanghai wages are the highest in the country. (Average annual wages for Chinese state workers, in US$, by province, 1985)

	Average annual wage
Total China	$314.86
North	
Beijing	383.71
Tianjin	332.86
Hebei	298.00
Shanxi	313.71
Inner Mongolia	312.86
Northeast	
Liaoning	304.00
Jilin	301.43
Heilongjiang	296.86
East	
Shanghai	**384.00**
Jiangsu	296.29
Zhejiang	304.29
Anhui	271.43
Fujian	302.86
Jiangxi	276.00
Shangdong	308.29

	Average annual wage
South	
Henan	$284.86
Hubei	293.43
Hunan	302.57
Guangdong	374.57
Guangxi Autonomous Region	307.71
Southwest	
Sichuan	295.14
Guizhou	304.57
Yunnan	323.14
Tibet Autonomous Region	562.00
Northwest	
Shaanxi	312.00
Gansu	384.29
Qinghai	475.43
Ningxia Autonomous Region	344.57
Xinjiang Uighur Autonomous Region	364.86

Source: Statistical Yearbook of China 1986, *p. 656;* The People's Republic of China Population Data Sheet, *Gu Baochang, Dudley L. Poston Jr., and Jing Shu, The University of Texas Printing Division, October 1987.*

*(**Religions**, continued from page 1)*

Muslim country. Fully 140 million Indonesians—or 80 percent of the archipelago's 175 million people—believe in the Islamic faith. In absolute numbers, most Muslims—647 million—live in Asia. But in relative terms, Africa has the highest share, 42 percent.

Muslim countries are relatively poor. Indonesian per capita income was about US$530 last year. In most African countries, per capita income was even lower than that. These people need basic goods that support survival. Their governments court large-scale investments that bring technological change.

Two of these countries can import more sophisticated products. Indonesians buy a larger variety of foreign products because of oil revenues accumulated in the 1970s. The Soviet Union, home to 31 million Muslims, is looking to expand trade as part of its *perestroika* campaign.

Unlike Muslims, who are distributed throughout the world, 99 percent of the 648 million Hindus live in South Asia. These people now make up 13 percent of the global population—up from 12 percent in 1972. Nearly 1.4 million Hindus live in Africa, and one-half million live in Europe, Latin America, and North America, respectively.

MUSLIMS IN AFRICA

Africa has the highest share of Muslims. (Population, in thousands, and percent Muslim, in regions of Africa, 1987)

Region	*Population (thousands)*	*Percent Muslim*
Africa	**601,351**	**42.2%**
North Africa	134,769	91.2
West Africa	187,367	46.3
East Africa	179,102	21.4
Middle Africa	61,074	8.7
South Africa	39,039	11.0

***Source:** Population Reference Bureau, Inc., and Richard V. Weeks,* Muslim Peoples: A World Ethnographic Survey, *in "The Demography of Islam," Nazy Roudi,* Population Today, *March 1988.*

Both Muslims and Hindus live in regions of low income and high population growth. Incomes in India vary tremendously, but the average per capita income there was only US$270 in 1985. The population of India grew about 2 percent last year, and the population of Niger, which is 87 percent Muslim, grew 3 percent annually from 1980 to 1985.

The average family sizes in Muslim and Hindu countries are some of the highest in the world. A woman in Niger or Mauritania can expect to have seven children in her lifetime, even though contraception is not forbidden under Islamic law. An Indian woman can expect to have at least four children.

Catholics, another fast-growing religious group, face problems similar to those of Muslims and Hindus. The number of Catholics has grown from 15 percent of the world's population in 1972 to 18 percent in 1987. More than 900 million Catholic adherents are spread throughout the world, but many live in poor countries where large families are also the rule.

More than 40 percent of all Catholics live in Latin America, while 28 percent, or 254 million, live in Europe. In comparison, the U.S. Catholic population of 88 million is small. About 98 million Africans are Catholic, as are 73 million South Asians and 9 million East Asians.

The relative share of Jews, Buddhists, and Protestants in the world has hardly changed since 1972. Buddhists and Protestants each make up about 6 percent of the world's population, while Jews, who number 18 million, constitute only 0.4 percent. At least 1 billion people consider themselves "nonreligious" or "atheist."

—Blayne Cutler

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DISCOVER MILAN, ITALY

Milan's older Italians are the country's leading innovators.

According to common logic, if you want to target a country's most vibrant city, find out where the young people live. But common logic is not necessarily Italian logic. In Milan, Italy's manufacturing and publishing center, older Italians are bringing economic success and new life to the city.

Located in the northern Po valley between the Alps and the Apennines mountains, Milan's 1.6 million residents make up about 18 percent of the Lombardy regional population.* Less than 28 percent of Lombardy's 9 million Italians were under age 20 in 1981, compared to 30 percent nationally, according to the Italian census. About 13.1 percent of Milan residents are aged 65 and over. Only 11.8 percent of Rome residents are that old.

But these mature Italians shape the fashion, print, and consumer electronics industries. Nearly one-quarter of the city's employees work in the manufacturing sector. In addition, the city trafficks about US$99 billion in banking capital.

Milan's regional labor force participation rate, at 53 percent, is slightly higher than Rome's. Traditionally, a large share of Italian women don't work: Only 32 percent of women in Rome worked in 1981. But 37 percent of Milanese women aged 15 to 64 worked that year.

On average, Milan residents earned about US$175 a week in 1982. Salaries ranged from US$20,000 for electrical engineers to US$6,100 for textile workers. Manufacturing workers, primary schoolteachers, secretaries, and bus drivers all made about US$8,000 in 1982.

HOUSING CRUNCH

Milanese live in crowded quarters. Nearly 23,000 city-dwellers shared one square mile in 1981—rivaling Paris, Naples, and Lisbon for Western Europe's most-crowded city.

But the municipal government is slow in responding to the housing shortage. Of 71 large cities, Milan had the slowest housing growth in 1981, at 0.12 percent.

Almost half of Milan's householders pay rent. Payments averaged US$310 a month in 1982. Average household size, at 2.6 people, is small compared to other Italian cities, because so many elderly Milanese live alone.

THE EFFECTS OF AGING

As city residents continue to age, health care will become an area of growing municipal concern. By 1981 Milan's death rate was higher than the death rate in Rome or Naples.

FOR WHAT IT'S WORTH

In Milan, bus drivers and teachers earn nearly the same wage. (Average annual wages of Milanese workers, by selected occupations, in current US$, 1982)

Occupation	*Average annual income*
Electrical engineer	$20,000
Bus driver	8,900
Manufacturing worker	8,840*
Secretary	8,400
Primary schoolteacher	8,100
Construction worker	6,600
Toolmaker	6,600
Textile worker	6,100

** Note: Data for 1981.*
Source: John T. Marlin, Immanuel Ness, and Stephen T. Collins, The Book of City Rankings, *Free Press, New York, 1986, pp. 300–305.*

** Statistics in this profile come from* The Book of World City Rankings, *John T. Marlin, Immanuel Ness, and Stephen T. Collins, Free Press, New York, 1986, pp. 300–305.*

The city's leading cause of death in 1981 was cancer—28 percent of deaths were cancer-related, while another 25 percent were caused by cardiovascular illness.

Regionally, there are 367 people in Lombardy for every doctor, and 125 people for every hospital bed. There are 232 people for each doctor in Rome, and 317 in Naples.

Milan's population fell 1.6 percent a year between 1977 and 1981, largely due to the high death rates associated with aging. The city is known for attracting migrant workers from southern Italy, and the large influx during the 1960s and 1970s boosted population growth. But as migration slowed, the high death rates slowed population growth in the early 1980s.

TREND-SETTER

Milan's economy is built on manufacturing, but growth in high-technology, research, and media now add to the city's diversity. Originally, major Milanese industries included machinery, automobile parts, electronics, and chemicals. New thriving sectors include aerospace engineering, textiles, computers, food processing, and publishing.

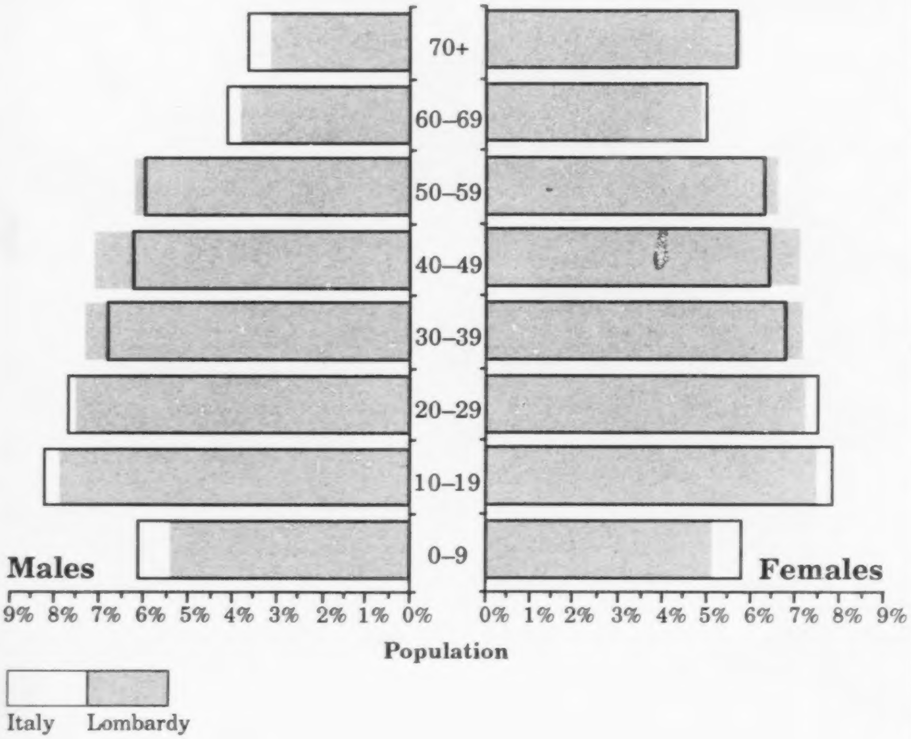
Regional employment in nonmanufacturing enterprises is low. Only 5.3 percent of the labor force worked in construction in 1981, 0.4 percent worked in mining, and 0.6 percent worked in transport and communications.

—Blayne Cutler

Almost half of Milan's householders pay rent.

LIFE IN LOMBARDY

Lombardy's share of middle-age Italians is higher than the national average.
(Population of Lombardy and Italy by age group, in percent, 1985)



***Source:** A. Golini, A. DeSimoni, S. Ronzoni,* Tre Scenari per il possibile sviluppo della Popolazione della regioni italiane al 2025, *Institutodi Ricerche Sulla Popolazione, Rome, 1987.*

EXPORTING VICES: SMOKING IN ASIA

Why is the tobacco industry booming in the midst of the "Great North American Smoke-Out"?

American temperance in the 1980s begins on the public bus to work each morning, continues amidst fresh conference-room air at the office, and ends in a dark café over a tasty, no-nicotine meal. In old blue-law style, one smoking ban after another knocks down the U.S. tobacco industry as Americans collectively kick the habit. So why do tobacco companies keep getting up?

PRODUCT COMPARISON

In global terms, people are smoking more, not less. While the market for cigarettes is shrinking in wealthier Western nations, it is booming in large, relatively poor countries like China and South Korea. American tobacco marketers are lobbying hard to enter the last battleground for the nicotine user, creating a public-health double standard that is beginning to capture Asia's attention.

One-fifth of the world's population, or 1 billion people, smokes 5 trillion cigarettes each year. That means each smoker consumes 14 cigarettes a day, according to the Worldwatch Institute. World cigarette consumption has doubled since 1960, rising 10 percent since 1983 alone. Almost all of the increase in smoking in recent years has occurred in the world's less-industrialized nations.

American tobacco companies sold over 63 billion cigarettes to over 100 foreign countries in 1986—up 8 percent from 1985. And cigarette exports grew fully 76 percent last year, bringing US$1 billion in new sales to U.S. cigarette manufacturers.

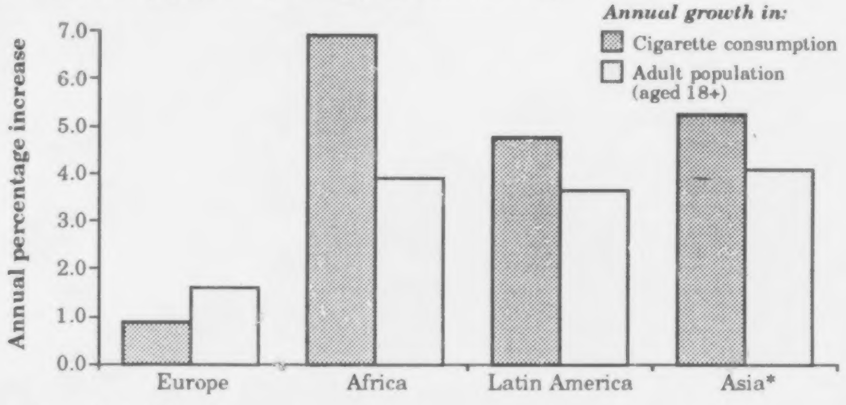
The new sales could not have occurred at home. Annual cigarette consumption in the U.S. declined from a peak of 4,345 cigarettes per person in 1963 to 3,196 per person in 1987, according to the World Health Organization (WHO). The share of American adults who smoke dropped from 30.4 percent in 1985 to 26.5 percent in 1986.

But the numbers rise fast in the East. About 20 million Taiwanese smoked 34 billion cigarettes last year. Because of import restrictions, fewer than one percent of the cigarettes Taiwanese smoked prior to 1987 came from the United States. Under the high tariffs, a pack of American cigarettes cost about US$2.86, while a pack of Taiwanese cigarettes cost US$0.79.

The floodgates opened last year when tariffs disappeared. The Tai-

LIGHTING UP

Cigarette consumption is growing faster than population in Africa, Latin America, and Asia. (Annual percentage increase in cigarette consumption and annual adult population growth, by region, 1975–1981)



Note: Does not include Japan.
Source: 1986 World Health Statistics Annual, *World Health Organization, Geneva, 1986, figure 5.*

wanese increased their purchases of American cigarettes (which now cost about US$1.30 a pack) from US$4.4 million in 1986 to US$119 million in 1987.

In China the share of adult smokers has increased 9 percent a year since 1983. In fact, the Chinese smoke an estimated 400 billion cigarettes each year. The World Health Organization estimates that annual Chinese consumption averages 900 cigarettes per person.

About 90 percent of all Chinese men smoke heavily. Until recently they smoked traditional Asian cigarettes, which are unfiltered, unblended, and high in tar. That's why their per capita consumption rates remained lower than Western rates. That relationship may change as import quotas decline.

South Koreans lifted trade barriers to their cigarette market in May of this year. American tobacco manufacturers had been selling US$1.3 million worth of cigarettes annually in South Korea. But trade representatives expect that sales will reach hundreds of millions of dollars in the coming years.

The real gleam in U.S. tobacco marketers' eyes is the prospect of a US$20 billion cigarette market in Japan. More than 120 million Japanese smoke about 300 billion cigarettes a year, and 10 percent of those are Marlboros, Winstons, and other American brands. As recently as 1986, only 3 percent of all cigarettes bought in Japan were American. The USDA projects that the share will rise to about 20 percent by 1992.

BUYING AMERICAN

One-third of all U.S. cigarette exports go to Japan.
(Percent of U.S. cigarette exports by country, 1987)

Country	*Percent of U.S. exports*
Japan	32.0%
Belgium	23.0
Hong Kong	12.0
Saudi Arabia	5.7
Taiwan	5.1
Singapore	3.2
United Arab Emirates	2.2
Other	16.8

***Source:** U.S. Department of Agriculture.*

On average, each Japanese smokes 2,636 cigarettes a year. American ad campaigns target young adults and women. Since tobacco advertisements can only run on television after 8:50 p.m., marketers use posters and promotions, such as free trials, most frequently. American manufacturers face growing criticism from the Japanese for offering free cigarettes to teens and for running promotions in places where young people gather.

Asia is becoming wary of the public-health problems associated with smoking. Restrictions on tobacco advertising are growing. Taiwan forbids tobacco ads on TV and in daily newspapers. Cigarette packages in Japan and Taiwan must warn of health risks. Hong Kong has restricted smoking to designated sections of movie theaters and public halls.

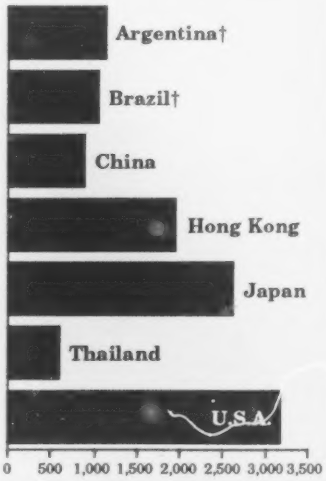
But the Marlboro man continues to ride high in Asia. As widely known as Coca-Cola, Marlboro increased its foreign market by 38 percent last year, to US$2.26 billion. Perhaps most symbolic, Hong Kong is the site for the world's largest outdoor billboard—a 3,200-square-foot rugged, smoking, cowboy from Marlboro Country.

Public-health campaigns have turned smoking into a socially unacceptable activity in the industrialized countries. People are learning that smoking kills one million people a year around the world, according to WHO. But as long as Asia's elites find status in it, smoking will continue to grow in the East.

—Blayne Cutler

A GROWING HABIT

Asians are smoking more, not less.
(Number of cigarettes smoked per adult per year, selected countries, 1987)*



** **Note:** Adults are aged 18 and over.*
*† **Note:** Data for 1982.*
***Note:** Until recently, per capita cigarette consumption in Asia was lower than in the U.S. because domestically-produced cigarettes are unfiltered, unblended, and high in tar.*
***Source:** International Agencies for Research on Cancer, vol. 38, Lyon, France, 1986; U.S. data: Report of the Surgeon General, May 16, 1988.*

REGIONS: CONSUMER TRENDS AROUND THE WORLD

ASIA/ PACIFIC

Malaysian population update: population will reach 26,844,000 by 2025, according to *Case Studies in Population: Malaysia*, a United Nations publication. The growth will slow from an annual average rate of 2.4 percent between 1980 and 1985 to 0.7 percent between 2020 and 2025.

Malaysia will become older in the next century. Thirty-eight percent of Malaysians were under age 15 in 1985; only 21 percent will fall into that age group by 2025. The share of Malaysians over age 60 will grow from 6 percent to more than 14 percent by 2025. Life expectancy will increase from 67 to 76 years, according to the UN.

The fabric of Malaysian society is sure to change as two-thirds of the country becomes urbanized—up from 40 percent in 1985. Most of that urban growth is occurring now; the annual urban growth rate was 4.6 percent in 1985. But it will fall to 1.6 percent in about 40 years. Rural population will decline between 2020 and 2025 at the rate of 1 percent a year.

Olympic tourist report: more than 250,000 people from 161 countries will attend the 1988 Summer Olympics in Seoul, South Korea. The first lucky visitors will find 1,000 rooms near the Olympic site for US$16 to $27, according to Runzheimer International. Other hotel prices will be higher, although kept to a minimum by the National Tourist Board of South Korea.

At least 500 homes will open their doors to foreigners for $25 to $30 a night, according to the Korean Travel Bureau. Bed-and-breakfast homes will have at least one foreign-language speaker.

Runzheimer projects that a day in Seoul, including three meals at business-class restaurants and lodging at a business-class hotel, will cost the Olympic sightseers US$228—that's almost one-tenth of a South Korean's average annual income.

EUROPE

Where are the best and worst places for women? Sweden and Bangladesh, according to the Population Crisis Committee's Population Briefing Paper *Poor, Powerless, and Pregnant*. Life expectancy in these two countries differs by 32 years: Swedish women can expect to live to age 81, while Bangladeshi women will live to age 49 on average.

The differences these women face literally mean life and death. In Sweden, one in 167 girls dies before her fifth birthday; in Bangladesh, one in five girls dies before her fifth birthday. Even if Bangladeshi girls make it through the early years, one

INTERNATIONAL DEMO MEMO

Annual median salary of a Canadian female full-time faculty member as percent of the median salary of a male full-time faculty member:

In 1975	*82%*
In 1985	*81%*

***Source:** Statistics Canada.*

in six 15-year-olds "will not survive her childbearing years," according to the report. Only one in 53 Swedish 15-year-olds will have the same fate.

Fewer than 1 percent of Swedish women aged 15 to 19 are married. But nearly 70 percent of Bangladeshi women in that age group are already married. These women can expect to bear five or six children in their lifetimes, while Swedish women may bear one or two.

Only 33 percent of young Bangladeshi girls go to grade school, and fewer than 2 percent of women aged 20 to 24 go to a university. Three out of 1,000 women in Bangladesh work professionally. Fully 37 percent of Swedish women aged 20 to 24 go to college. Two out of five Swedish women are professionals, and half of the paid work force is composed of women.

What's an Australian road trip? It depends on who's going, according to Tom Payton in London's *Journal of the Market Research Society*. In researching the urban Australian auto market, Payton reported that women take shorter journeys than men, and younger people drive farther than older people, in urban families with more than one car.

Married women carry more passengers—27 percent of the women surveyed carried more than one passenger on average. Daughters and sons carry the fewest passengers. Sixty percent of all trips that Australian daughters took were solo, while sons took 57 percent of their road trips alone.

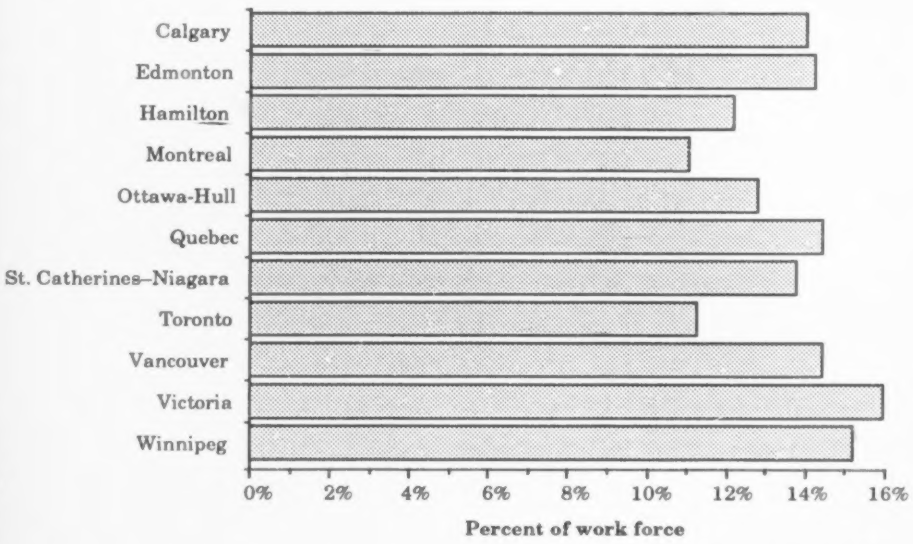
OCEANIA

Shopping, working, and chauffeuring children were Australian wives' most-frequent reasons to drive. Work and shopping topped husbands' lists, while sports and social visits topped both sons' and daughters' lists.

C I T Y S T A T S

CANADIAN SERVICE

Canada's western cities have the highest share of service workers.
(Percent of work force empoyed in the service sector, selected Canadian cities, 1987)



Source: Statistics Canada.

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CORRECTION

The July 1988 Consumer Markets Abroad *City Stats table, "Breathe Deeply," provided national population totals, rather than city population totals. For more information, please contact our editorial offices.*

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PUBLICATIONS

Consequences, Development Through Self-Reliance, Inc., distributed through DSR, Inc., P.O. Box 281, Columbia, MD 21045, 53 minutes, US$500.00.

The first dramatic film made in Zimbabwe by Zimbabweans is not a frivolous comedy. *Consequences,* a film shot and edited in Harare, the country's capital, tackles the sensitive issue of teen pregnancy. Rita, a talented and sophisticated African 16-year-old, has much to lose from an unwanted pregnancy.

Fully 18 percent of African teenagers aged 15 to 19 give birth each year, according to the Center for Population Options in Washington, D.C. That share compares with only 5 percent worldwide. As young African women begin to postpone marriage and enter the workforce, teen pregnancy brings new complications to education and labor.

In *Consequences,* Rita, Albert, Stella, and Richard are straight-talking characters who speak to local teens. They show the anger, humiliation, and fear that come with lost educational and career prospects for Zimbabwe's urban elite. Teen pregnancy, they illustrate, is not limited to Africa's rural poor.

Consequences also depicts modern Harare life. Education is a high priority, and hard work brings career opportunities. The concerns of these African teens are strikingly similar to the high school woes of boys and girls in parts of urban America.

The filmmakers show opportunity for Harare women, rather than helplessness. Schoolteachers stress the achievements of both boys and girls. Once Rita has her baby, she immediately finds work in a large corporation. She does not blame her problems on Zimbabwean society, the pressure of her boyfriend, or on anyone else. "It's easy to blame it all on the boys. It was also a moment of weakness on my part." In a country where opportunities are precious, Rita's warning is powerfully clear.

Consequences will be followed by a film series on AIDS, according to Steve Smith of DSR. Television and film have become effective tools in spreading public-health messages, especially in regions where literacy rates are relatively low.

—Blayne Cutler

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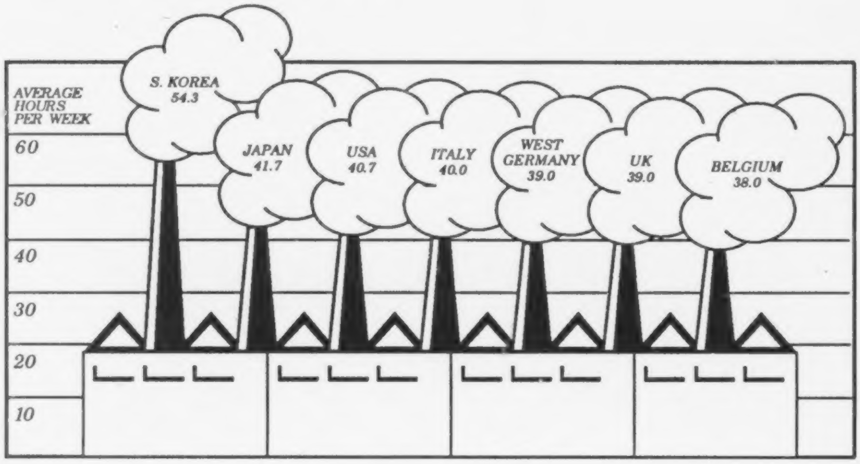
THE WORLD AT WORK

In most countries, workers and their work habits are changing fast.

PUNCHING THE CLOCK

Most industrial workers spend fewer hours on the job each week than they used to. In general, Asians work longer hours than Europeans. (Average hours worked per week for manufacturing workers, 1985)



* ***Note:*** *Data for 1984.*
Sources: Der Arbeitsgeber, *no. 2, 1985, p. 56, in* Personnel Management, *Sept. 1985, p. 34; and* Far Eastern Economic Review, *August 27, 1987, p. 17.*

LIFESTYLES AROUND THE WORLD

The world is changing its work habits. Work-force demographics look different: more than half of all working-age women throughout Europe and the United States now work, and more people retire early. The workplace also has changed: computers turn houses, cars, and airplane lounges into offices. But no matter who's working where, people spend fewer hours on the job.

A 45-hour workweek was once the rule. But in 1985, Belgian industrial workers spent about 38 hours a week at work. West German, French, and British industrial workers spent about 39, while most other European and American industrial workers spent about 40 hours on the job. Only Asians spent more time at work: the Japanese worked 42-hour weeks in 1985, even though most employers are trying to cut the workweek from six days to five. South Korean workers in manufacturing spent a record 54 hours a week at work in 1984.

(continued on page 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 9 SEPTEMBER 1988

THE UNITED MEXICAN STATES: AN UPDATE

North Americans think Mexicans are poor. But South Americans think differently.

I N D E P T H

Mexico's image as America's poor southern neighbor grows stronger with every devaluation of the peso. The country's 1985 per capita gross national product was about US$2,220—just one-seventh of per capita GNP in the U.S. Most North Americans are not surprised to find that Mexicans try their luck "up north." But to a South American, Mexico has a completely different image. South Americans see Mexicans as their wealthy neighbors up north.

Only Latin American consumers in Venezuela, Suriname, and Trinidad and Tobago have higher incomes than Mexican consumers, on average. While several million Mexicans seek their fortunes in the U.S., several hundred thousand Central American refugees seek modest wealth in Mexico.

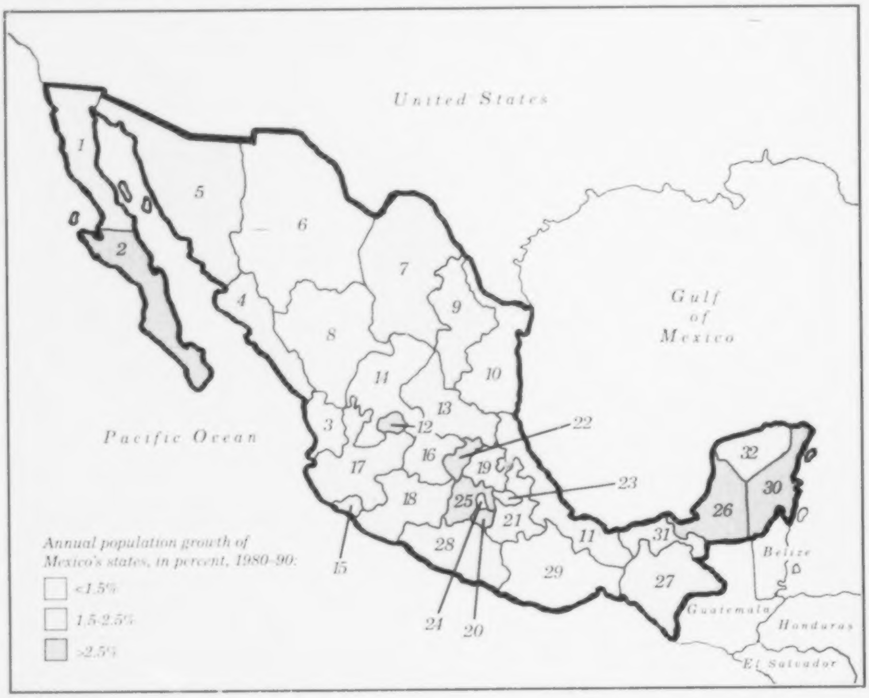
STABLE HAVEN

Mexico has had one of the most stable governments of any major Latin American country. Since 1929, the *Partido Revolucionario Institucional* (PRI) has ruled Mexican politics, although under different names. There are occasional challenges to PRI rule, such as the recent protests surrounding the newly-elected president, Carlos Salinas de Gortari. Gortari's commitment to a multiparty system may bring Mexico's opposition into mainstream politics.

Mexico supplied the largest share of immigrants to the U.S. in 1986, sending 66,500 people to live there legally. But the Census Bureau estimates that 1.5 to 3.0 million Mexicans live in the U.S. as undocumented aliens.

BRIDGING THE GAP

Mexico is a bridge between the wealthy north and the populous south. Consumers feel the pressure from both sides. (Mexican states by projected annual average population growth, in percent, 1980–1990)



Source: World Atlas of Nations, *Rand McNally, 1988, p. 113.*

Consumer markets abroad

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REGIONAL RANKINGS

Most Mexicans live in the Federal District valley, but tourist states such as Quintana Roo and Baja California are catching up fast.
(Mexican states by region with 1980 and projected 1990 populations, annual growth rates, 1980–1990, and population density, in persons per square kilometer, 1980)

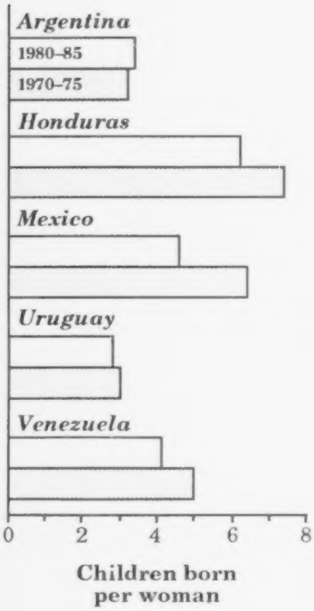
Region and state	*Population in 1980*	*Population in 1990*	*Annual growth rate 1980–90*	*Population density (persons/km²)*
Total	69,655,120	85,784,224	**2.10%**	34.4
Northwest				
1. Baja California	1,227,314	1,429,309	**1.54**	17.5
2. Baja California Sur	224,310	339,864	**4.24**	3.0
3. Nayarit	756,849	868,463	**1.39**	27.1
4. Sinaloa	1,928,326	2,483,016	**2.56**	32.2
5. Sonora	1,577,842	1,857,720	**1.65**	8.2
North				
6. Chihuahua	2,089,766	2,268,902	**0.83**	7.9
7. Coahuila	1,622,865	1,967,317	**1.94**	10.4
8. Durango	1,232,210	1,420,698	**1.43**	9.4
9. Nuevo León	2,618,986	3,252,325	**2.19**	37.9
Gulf				
10. Tamaulipas	2,005,285	2,321,808	**1.48**	24.2
11. Veracruz	5,614,684	6,940,543	**2.14**	73.4
Center-North				
12. Aguascalientes	541,186	721,043	**2.91**	92.0
13. San Luis Potosí	1,744,498	2,089,798	**1.82**	26.5
14. Zacatecas	1,184,557	1,267,049	**0.68**	15.6
West				
15. Colima	360,892	432,885	**1.84**	65.3
16. Guanajuato	3,132,362	3,644,483	**1.53**	99.8
17. Jalisco	4,554,561	5,339,429	**1.60**	53.1
18. Michoacán	2,989,167	3,469,552	**1.50**	50.9
Center				
19. Hidalgo	1,612,962	1,871,818	**1.50**	72.9
20. Morelos	986,880	1,318,077	**2.94**	188.2
21. Puebla	3,488,045	4,210,500	**1.90**	96.7
22. Querétaro	770,795	1,000,334	**2.64**	63.4
23. Tlaxcala	580,076	687,258	**1.71**	136.3
Valley of Mexico				
24. Federal District	9,196,857	10,438,650	**1.27**	6,337.6
25. State of México	7,882,805	12,441,349	**4.67**	353.3
South and Southeast				
26. Campeche	438,298	633,507	**3.75**	7.3
27. Chiapas	2,173,227	2,599,616	**1.81**	28.3
28. Guerrero	2,198,443	2,648,976	**1.88**	33.8
29. Oaxaca	2,468,836	2,686,968	**0.85**	26.8
30. Quintana Roo	235,665	435,155	**6.32**	4.2
31. Tabasco	1,100,790	1,345,450	**2.03**	45.5
32. Yucatán	1,108,585	1,352,333	**2.01**	26.9

Sources: *CONAPO,* Boletín Informativo 16, *1985, p. 18; INEGI, X Censo General de Población y Vivienda, 1980.*

While several million Mexicans seek their fortunes in the U.S., several hundred thousand Central American refugees seek modest wealth in Mexico.

KID COUNT

Latin American women are bearing fewer children —a trend that will continue in the 1990s. (Fertility rate for selected Latin American countries, 1970–75 and 1980–85)



Source: *Centro Latinoamericano de Demografía,* Boletín Demográfico, *año XX, no. 39, Cuandro II.1, p. 29.*

But Mexico has its own immigration problems. Central American refugees in Mexico number about 400,000, most living there illegally.

DOUBLING FAST

Mexico's current population of 83,528,000 has doubled since 1964. Population growth fell below 3 percent a year in the late 1970s, and annual average growth will remain around 1.9 percent until 1990. Mexico's *Concejo Nacional de Población* (CONAPO) estimates that annual growth will slow to about 1.5 percent by the end of the century.

The states of Chihuahua and Zacatecas grew the slowest in the late 1970s, at 1.6 and 1.8 percent a year. Quintana Roo and the state of México grew the fastest, at 9.0 and 6.6 percent a year, respectively.

RADIAL GROWTH

Mexico is divided into 31 states, with one federal district. The country's population is polarized: of 125,520 localities registered in the 1980 census, only 2.3 percent were defined as urban (a city, town, or village with at least 2,500 inhabitants). However, these urban localities contained 61 percent of the total population.

The residents of Mexico City, Guadalajara, and Monterrey make up more than one-quarter of the country's total population.

Mexico City was the world's third largest metropolitan area in 1980, with 15 million people. By 1990, it will become the largest metropolitan area in the world, and more than 26 million people will live there early in the next century.

By 1980, only 34 percent of all Mexicans lived in rural areas. More than 42 percent lived in cities with at least 100,000 people. Mexicans will continue to migrate to large cities, although at a slower rate. Urban areas grew 4.8 percent from 1965 to 1973 and 4.0 percent from 1973 to 1984.

The government's national development plan, which began in 1983 and will operate until the end of the year, offered incentives for Mexicans to live outside of Mexico City and other large urban centers. The twenty medium-sized cities targeted for growth include Aguascalientes, Tijuana, Torreón, Manzanillo, Ciudad Juárez, León, and Acapulco.

TOURIST ATTRACTION

Tourism brings Mexican workers to coastal states, such as Quintana Roo, home of the Cancún resort area. Although tourist development has slowed, CONAPO projects a 6.3 percent annual growth rate for the state through the 1980s.

HONEYMOON HAVEN

Mexico's resort towns, like Acapulco and Cancún, bring in honeymoon dollars. (Tourist arrivals to Mexico, number of rooms, number of hotels and motels, and average length of tourist stay, in days, 1982–86)*

	1986	*1985*	*1984*	*1983*	*1982*
Tourist arrivals	4,625,000	4,207,000	4,654,000	4,749,000	3,767,600
Rooms	120,550†	300,500	262,475	263,231	257,221
Hotels and motels	2,018†	6,761	5,310	8,293	8,268
Average length of stay	10	9	10	9	10

* ***Note:*** *Tourist arrivals by air and sea.*
† ***Note:*** *1986 figures for hotels and motels and rooms drop sharply because of a severe earthquake that year.*
Source: Statistical Bulletin of the O.A.S., *vol. 9, no. 1–2, January–June 1987, table A-21, pp. 86–95.*

States that are losing Mexicans to migration include Coahuila, Zacatecas, San Luis Potosí, Querétaro, Hidalgo, Tlaxcala, Oaxaca, and Yucatán.

MEXICAN FAMILIES

Mexican family planning began under the Echevería administration, in the mid-1970s. Before 1975, the

HOME IMPROVEMENTS

Northern households are more likely to enjoy basic comforts than southern households.
(Mexican states by region with mean household size and share of homes with electricity and with running water, 1980)

		Percent of homes with:	
Region and state	*Mean household size*	*electricity*	*running water*
Total	5.70	74.6%	71.2%
Northwest			
Baja California	5.14	89.7	80.5
Baja California Sur	5.37	74.3	81.3
Nayarit	5.51	84.5	70.4
Sinaloa	6.26	69.6	57.3
Sonora	5.64	68.8	79.2
North			
Coahuila	5.63	85.4	85.5
Chihuahua	5.55	77.0	77.9
Durango	6.64	74.9	75.4
Nuevo León	5.90	88.6	88.8
Gulf			
Tamaulipas	5.30	72.7	73.5
Veracruz	5.66	59.2	51.0
Center-North			
Aguascalientes	6.38	86.7	90.8
San Luis Potosí	6.07	48.5	51.1
Zacatecas	6.55	55.3	53.2
West			
Colima	5.61	88.3	86.8
Guanajuato	6.43	76.0	70.9
Jalisco	6.09	84.4	81.6
Michoacán	5.61	58.9	57.3
Center			
Hidalgo	6.09	62.6	69.3
Morelos	5.85	85.6	78.6
Puebla	5.99	71.4	62.5
Querétaro	6.26	64.4	67.6
Tlaxcala	6.55	82.7	78.9
Valley of Mexico			
Federal District	4.94	97.4	94.3
State of México	6.07	84.2	83.4
South and Southeast			
Campeche	6.44	64.9	67.2
Chiapas	5.34	36.2	44.7
Guerrero	5.59	58.7	43.7
Oaxaca	5.18	50.5	46.4
Quintana Roo	5.54	74.9	51.6
Tabasco	5.77	44.6	35.1
Yucatán	5.73	79.7	55.0

Sources: *CONAPO,* Boletín Informativo 16, *1985, p. 18; INEGI, X Censo General de Población y Vivienda, 1980.*

CITY GROWTH

Urban areas will continue to grow fast.
(Population of Mexico and urban/rural average annual growth rates, 1970–80 and 2000–10)

1980	
Total population	69,655
Annual growth rates:	
Urban (1970–80)	*3.9%*
Rural (1970–80)	*1.1%*
2010	
Total population	133,354
Annual growth rates:	
Urban (2000–10)	*2.1%*
Rural (2000–10)	*0.2%*

Sources: *U.S. Bureau of the Census; CONAPO,* Boletín Informativo 16, *1985, p. 18; INEGI, X Censo General de Población y Vivienda, 1980.*

KEEPING UP

Four out of five Mexicans can now read and write. (Literacy rates in Mexican states, by region, 1980)*

Region and state	*Literacy rate*
Total	80.7%
Northwest	
Baja California	87.2
Baja California Sur	91.2
Nayarit	85.8
Sinaloa	80.7
Sonora	86.1
North	
Coahuila	88.2
Chihuahua	87.7
Durango	87.8
Nuevo León	88.6
Gulf	
Tamaulipas	88.2
Veracruz	73.8
Center-North	
Aguascalientes	86.9
San Luis Potosí	78.3
Zacatecas	83.3
West	
Colima	86.8
Guanajuato	74.8
Jalisco	82.8
Michoacán	68.9
Center	
Hidalgo	76.7
Morelos	83.1
Puebla	71.3
Querétaro	76.8
Tlaxcala	84.8
Valley of Mexico	
Federal District	92.0
State of México	82.6
South and Southeast	
Campeche	80.9
Chiapas	66.1
Guerrero	63.1
Oaxaca	70.5
Quintana Roo	75.2
Tabasco	77.0
Yucatán	74.4

* ***Note:*** *Literacy rate is defined as the percent of the population 10 years and over who can read and write.*
Sources: *CONAPO,* Boletín Informativo *16, 1985, p. 18; INEGI, X Censo General de Población y Vivienda, 1980.*

average Mexican woman could expect to bear about seven children in her lifetime. By the end of the century, that figure will probably be two or three, on average. Birth rates remain highest in central and southern Mexico, while they are lowest in the northern border states and in Quintana Roo.

Mexico's population is one of the youngest in Latin America. The median age fell from 18.3 years in 1950 to 17.4 years in 1980. It should rise to 22.8 by 2000, according to the United Nations. Considering that the U.S. median age was 31.7 years in 1985, Mexican median age is still quite low.

Working-age Mexicans, those aged 15 to 64, accounted for 53 percent of the population in 1985. The annual population growth rate of this group reached 3.2 percent from 1974 to 1984. Younger workers are becoming very important to the economy: The number of 25-to-29-year-olds grew 4.3 percent a year during the past decade.

In contrast, older Mexicans are harder to find. Only 5.2 percent of Mexico's population was over age 60 in 1980, a proportion that should top 6 percent by 2000, according to CONAPO.

Households are typically large, even by Latin American standards. Mexico's average household size is 5.7 persons. The states of Durango, Tlaxcala, and Zacatecas have the largest households, with 6.6 persons.

PESO-PINCHING

Mexico's foreign debt—now more than US$100 billion—has become the government's top concern. Some of the country's economic problems stem from the discovery of oil during the presidency of López Portillo (1976–82). In an effort to counter Arab control of the market, Portillo turned to oil exploration at the cost of diversifying industry.

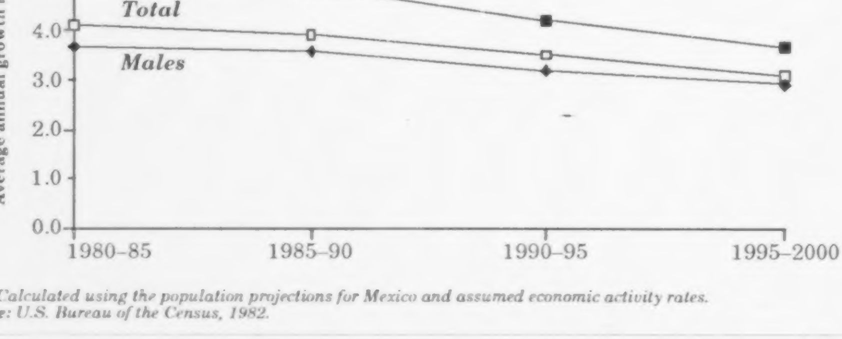
Mexico's present administration carries this "oil hangover." Declining crude oil prices, high interest rates, and rising imports brought the crisis to a head in the form of foreign debt.

In 1984, 40 percent of Mexico's total public expenditure was allocated to public-sector debt service. Long-term foreign debt made up half of the GNP, and debt service represented 49 percent of the export of goods and services.

As in most Latin American countries, inflation is one of Mexico's major problems. By the mid-1970s,

WORKING IT OUT

The labor force grew fast when Mexican women started working. Now that the transition is over, the rate of growth will slow. (Estimated average annual growth rate in Mexico's labor force, by sex, in percent, 1980–85 to 1995–2000)



Note: *Calculated using the population projections for Mexico and assumed economic activity rates.*
Source: *U.S. Bureau of the Census, 1982.*

Mexico had joined other Latin American countries with inflation rates higher than 15 percent per year. Inflation grew 32 percent a year between 1973 and 1984. Officially, it ran at 102 percent in 1983, 64 percent in 1984 and 1985, and 78 percent in 1986. Projections for 1988 run from 120 to 200 percent.

PROSPERITY AND THE NEW NORTH

One of Mexico's strongest growth industries is energy. Consumption grew from 622 kilograms of oil per person in 1965 to 1,308 kilograms of oil in 1984. The average annual growth in energy output rose from 4.5 percent a year between 1965 and 1973 to 15.9 percent a year between 1973 and 1984.

The Gulf of Mexico region gained importance in the 1970s because of oil exploration. Manufacturing regions include Hidalgo, Morelos, Puebla, Querétaro, and Tlaxcala, as well as the state of México and the Federal District.

The southern states of Guerrero, Oaxaca, and Chiapas specialize in tourism, while the northwestern regions are developing agriculture, livestock breeding, and mining.

Most recently, Mexico's northern border states, including Baja California, Sonora, Chihuahua, Coahuila, Nuevo León, and Tamaulipas, are exploding as "in bond" export-processing zones. They have become a vital link to the U.S. economy.

TRADE TRENDS

Trade is more important to the Mexican economy now than ever before. In 1984, Mexican exports reached US$24.1 billion, slightly less than Hong Kong's 1984 exports. The average annual export growth was 19 percent between 1973 and 1984. It was only 1 percent between 1965 and 1973. Crude oil made up more than two-thirds of Mexican exports in 1985—up from 2 percent around 1972. Imports totaled US$11.3 billion in 1984.

FALLING FORTUNES

Mexican consumers have been tightening their purse strings since 1981. (Mexican per capita gross domestic product, in US$, 1981–86)

Year	*GDP*
1981	$2,518.50
1982	2,432.70
1983	2,237.50
1984	2,253.50
1985	2,245.40
1986	2,093.10

Source: Statistical Bulletin of the O.A.S., *vol. 9, no. 1–2, January–June 1987, table A-3, p. 36.*

TEEN FUTURE

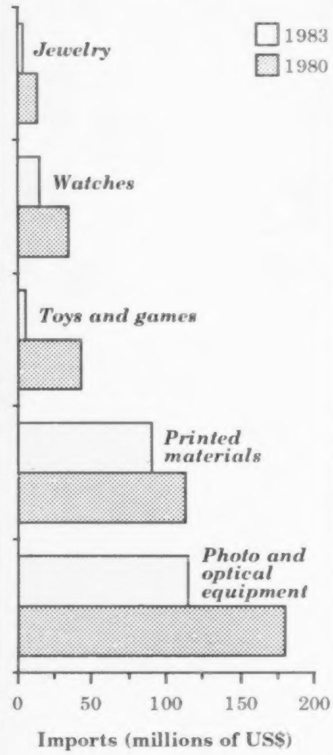
Mexico will stay young. Nearly half of the population will be aged 19 or younger in 1990. (Projected Mexican population by age and sex, and percentage in each age group, 1990)

Age	*Total*	*Percent*	*Males*	*Females*
All ages	86,214,924	100.0%	43,143,142	43,071,782
0–4	9,986,927	11.6	5,092,288	4,894,639
5–9	11,082,838	12.9	5,644,105	5,438,733
10–14	10,953,587	12.7	5,571,456	5,382,132
15–19	10,440,681	12.1	5,297,199	5,143,482
20–24	8,887,742	10.3	4,489,065	4,398,677
25–29	7,401,984	8.6	3,723,842	3,678,142
30–34	6,117,091	7.1	3,060,519	3,056,572
35–39	4,959,577	5.8	2,464,804	2,494,772
40–44	3,814,931	4.4	1,878,459	1,936,472
45–49	3,041,271	3.5	1,480,772	1,560,499
50–54	2,530,687	2.9	1,217,484	1,313,203
55–59	2,094,704	2.4	997,708	1,096,996
60–64	1,588,219	1.8	746,771	841,448
65–69	1,283,464	1.5	591,786	691,678
70–74	853,413	1.0	383,661	469,752
75–79	625,837	0.7	272,773	353,063
80+	551,969	0.6	230,448	321,521

Note: *CELADE's 1990 projected total population differs slightly from CONAPO's projection on p. 3.*
Source: *INEGI/CONAPO/CELADE,* México: Estimaciones y Proyecciones de Población 1950–2000, *pp. 21–22.*

LUXURY'S OUT

Mexicans cut out premium purchases at the first sign of recession.
(Mexican imports of selected leisure goods, in millions of US$, 1983 and 1980)



Source: *National Statistics of Mexico, in* Consumer Markets in Central America, *Euromonitor Publications, 1984, p. 156.*

WAGE VERTIGO

Fully 18.3 million Mexicans work. With the prospect of a job squeeze, more workers should move into the informal sector. Of Mexicans in formal-sector employment, 37 percent worked in manufacturing in 1985, 20 percent worked in commerce, and 24 percent worked in services.

A Mexican worker's real minimum wage dropped 8.8 percent from 1981 to 1982. By the end of 1986, the minimum wage reached US$1,064 per year, on average. With social-security taxes, an employer's monthly labor cost averaged US$1,524 per worker in 1986.

Mexican workers face sharp declines in purchasing power because of rampant inflation. Overall, consumer expenditures and retail sales fell 4 percent in 1982 and 19 percent in 1983. Per capita private consumption fell by 7.5 percent in 1983.

Wealth is highly concentrated in a few hands. In 1977 the poorest 20 percent of Mexicans shared only 3 percent of the national income, while the richest 20 percent shared 58 percent. In comparison, the poorest 20 percent of people in the United States shared 5 percent of the national income, while the richest 20 percent shared 40 percent.

HEALTH AND EDUCATION

A Mexican could only expect to live 51 years in the early 1950s. By the late 1970s, life expectancy increased to 64 years, and it is expected to reach 70 years by the end of the century, according to CONAPO.

Health care has improved, but it faces a funding crisis. There were 1,140 people for every doctor in 1981. That makes Mexican doctors twice as busy as doctors in the United States. Mexican welfare benefits, which cover workers with formal employment and their families, supported 31.6 million people at the end of 1985.

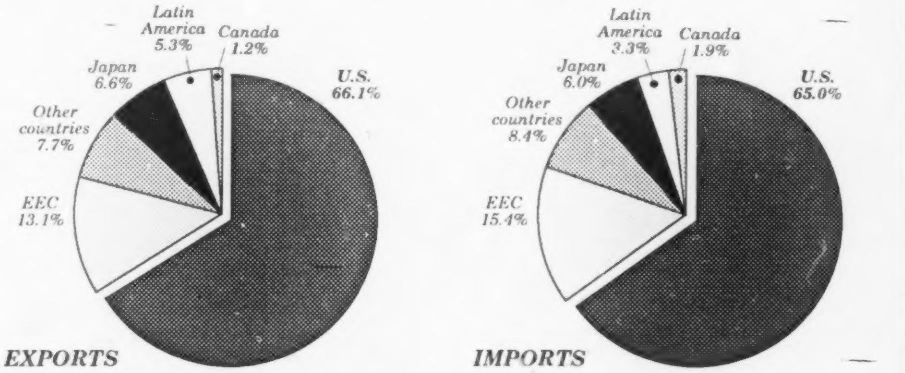
Mexican school enrollments are on the rise. Fifty-five percent of secondary-school-age children are enrolled in school, and 15 percent of 20-to-24-year-olds are enrolled in college. Only 4 percent of college-age students were enrolled in 1965.

Private schools are mostly located in the cities, and their cost is high. Primary school is compulsory, and free secondary education is provided by the government. Most universities are run by the state, and their cost is comparatively low.

—Ralph Hakkert
—Eduardo Juárez Aguirre
Belo Horizonte, Brazil

BALANCING ACT

Two-thirds of Mexican trade involves the United States.
(Mexico's imports and exports, by country, in percent, 1986)



Source: *Banco de México.*

***(World at Work**, continued from page 1)*

The trend toward a shorter workweek is fueled by increased productivity through automation, a national desire to minimize unemployment, and a need to stay competitive in the international marketplace. Asian countries usually legislate a shorter workweek; European countries usually bargain for it collectively.

The maximum number of working hours differs by sector. Farmers, retail traders, and service workers usually work longer hours than industrial and government employees.

Longer holidays, reduced overtime, early retirement, and job sharing are on the increase as well. Austrian holidays increased from 25 days in 1984 to a minimum of 30 days in 1986. Belgian engineers can retire at age 55, and Dutch workers now can retire at 60 instead of 62.

"Flexitime"—where workers clock in and out around a "core" working period—is now commonplace for the world's white-collar workers. Spanish engineers spread their 40-hour workweek over six days. Electrical workers in Spain adjust their workweek with changes in the weather: A winter workweek is 42.5 hours, while a summer workweek is only 32.5 hours. Most European countries are experimenting with a 4-day workweek.

The demand for part-time workers is increasing as people move into service jobs. The number of part-time workers in industrialized countries reached 45 million people by 1985, an increase of at least 2.5 million people since 1982.

Part-timers made up 29 percent of the labor force in Norway, 23 percent in Sweden, and 10 percent in West Germany and France in 1985. The share of part-timers in the U.S., Canada, and Australia ranged from 15 to 19 percent, while one in ten Japanese worked part-time in 1985.

Women make up the largest share of part-time workers. More than nine out of ten British and German part-time workers were women in 1985. In Sweden, women made up 84 percent of all part-time workers.

—Stephen Karel
East-West Center
Honolulu, Hawaii

WORLD HOLIDAYS

Public holidays are plentiful in Middle-Eastern and Asian countries. They are scarce in Eastern Europe.
(Comparison of public holidays when no work is performed, by region and selected countries, 1988)

Region	*Average number of days off**
Middle East	**16**
United Arab Emirates	37
Jordan	17
Israel	8
Asia	**15**
Sri Lanka	30
Japan	18
Laos	5
South America and the Caribbean	**13**
El Salvador	24
Jamaica	9
Africa	**13**
Tunisia	21
Chad	15
Mozambique	8

Region	*Average number of days off**
Western Europe	**12**
Finland	16
France	11
United Kingdom	9
North America	**11**
Canada	12
U.S.	10
Eastern Europe	**7**
U.S.S.R.	8
Poland	7
Czechoslovakia	5

* ***Note:*** *Does not account for weekend overlap.*
Source: The World Business Calendar 1988, *Educational Extension Systems, Washington, D.C., pp. 22–27.*

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DISCOVER: LYON, FRANCE

Research and service jobs attract French workers to Lyon.

UNDISCOVERED MARKETS

Lyon* may be less well known than Paris, but it is just as important to the French economy. With 1.2 million people in the metropolitan area and more than 418,000 in the city, Lyon attracts businesses from all over the world. More than 100 companies from the U.S. alone have offices there.

Only one-eighth the size of the Paris metropolitan area, Lyon's 1,240 square miles join the Rhône and Saône rivers. By 1982 more than 8,600 people shared each square kilometer of the city.

Lyon's nine districts, or *arrondissements,* are not evenly populated. The third and eighth districts each have more than 65,000 people. The first and second districts have fewer than 30,000 people.

THE RHÔNE-ALPES REGION

Lyon is part of the larger Rhône-Alpes region, an area about the size of Switzerland with more than 5.1 million people. Fully one-tenth of all French people live in this region, which is as populous as Denmark.

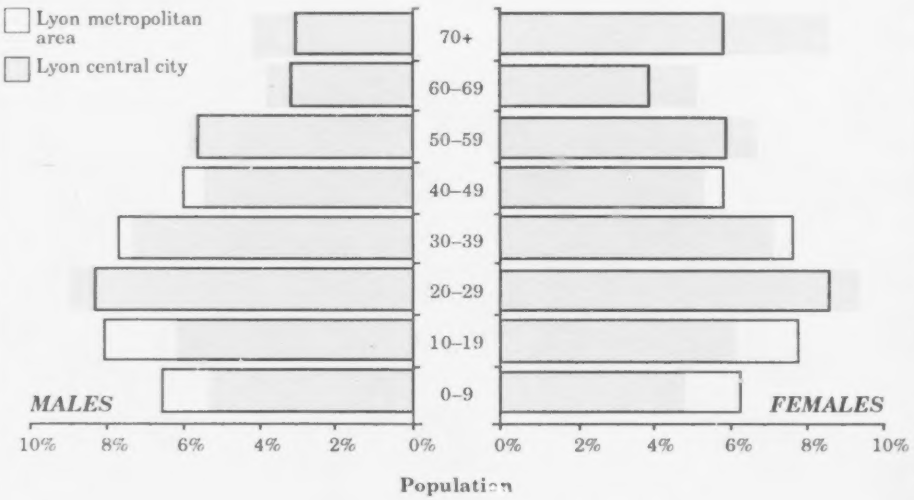
Rhône-Alpes residents are young: one-third are aged 20 or younger. With almost half of the population working, or 2.2 million people, the Rhône-Alpes region has the country's second largest labor force.

In metropolitan Lyon, 835,000 people work. Industry, service, and commercial enterprises are the city's largest employers. Twenty-nine percent of Lyon employees work in industry and 41 percent work in service occupations, compared with a national average of 26 percent and 39 percent, respectively.

Wages in Lyon tend to be higher and unemployment lower than the national average. Lyon residents made US$10,261 in 1983, while

WARTIME WIDOWS

World War II left its mark on Lyon's population. The share of elderly women exceeds the share of elderly men by more than five percent.
(Population of Lyon metropolitan area and Lyon central city, by age group, 1983)



Source: General Data Concerning the Lyon Region, *Association pour le Dévelopement Économique de la Région Lyonnaise, 1986, p. 2.*

*** *Note:*** *This profile uses the French spelling of the city of Lyon. The English spelling is Lyons.*

Rhône-Alpes residents made US$9,631. The average French worker made US$10,169. Only 8 percent of Lyon workers were out of work in 1985, compared with 11.5 percent nationally.

But equality is farther off here than in other parts of the country. While Lyon men made more than most French men in 1983, Lyon women made less. A Lyon woman made only 69 percent of a Lyon man's salary in 1983, while the average French woman made 75 percent of the average French man's salary that year.

SERVICE CENTER

Economically, Lyon is France's fastest-growing city. The region exports fully 38 percent of all the goods and services it produces. Lyon and its surrounding area hold about 7.5 percent of France's bank deposits and only about 5.5 percent of its outstanding loans.

Banking, insurance, and textiles are Lyon's three major industries. *Canuts,* or silk workers, are vital to Lyon's economy. They produce silk-based protective clothing and meteorological balloons for the French armed forces, as well as traditional silk kimonos for export to Japan.

Consumer purchasing power in Lyon rivals consumer purchasing power in Paris. More than 38 million people live within a 300 mile radius of Lyon, and another 23 million Swiss, Italians, and Spaniards live 200 miles beyond that.

TECHNOPOLES

Lyon is second only to Paris in French research and development. Of the area's 150 research laboratories, about 100 focus on biotechnology and biomedical engineering. Five of the country's 12 largest research centers are located in Lyon. In all, the Rhône-Alpes region employs 20,000 researchers, 10 percent of the country's total.

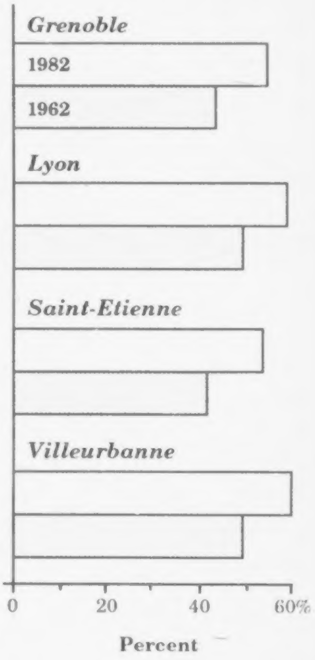
Lyon brings research, education, and business together in "technopoles," facilities devoted to science, computers, and biotechnology. More than 32,000 acres are devoted to the 200 business and industrial parks in the region.

The *Association pour le Développment Economique de la Région Lyonnaise* (ADERLY) attracts companies from around the world to Lyon, including six companies from Finland within the past 18 months. "U.S. companies are looking increasingly to opportunities in southern Europe," says Xavier Schaefer, part of ADERLY's international marketing team. Lyon's geographic setting, he adds, is promising not only for expansion but also for distribution to southern and northern Europe.

—Peter Inserra
Lyon, France

WORKING WOMEN

Of smaller French cities, Villeurbanne has the largest share of working women. (Percentage of women who work in selected French cities, 1962 and 1982)



***Source:** RP exhaustif 1962–1968–1975 et RP 1982 sondage au 1/20e pour Lyon, au 1/4 pour Grenoble et Saint-Etienne et au 1/5e pour Villeurbanne, INSEE.*

SERVICE CENTER

Service and industry employ a larger share of Lyon workers than the national average. (Employment by sector, in number and percent, for the Lyon area and France, 1982)

	Lyon area		France	
Sector	*Number*	*Share*	*Number*	*Share*
Services	343,358	41%	9,268,897	39%
Industry	239,766	29	6,116,531	26
Commerce	103,592	12	2,799,489	12
Construction	65,163	8	1,909,060	8
Transport/communications	57,644	7	1,482,083	6
Agriculture	25,898	3	1,929,060	8

***Source:** General Data Concerning the Lyon Region, Association pour le Dévelopement Économique de la Région Lyonnaise, 1986, p. 2.*

PRODUCT COMPARISON

PEDALING EAST

First-time car buyers don't live in the West anymore.

It's no wonder that car buyers ignore expert predictions. In 1978, one auto-industry study estimated that the world supply of cars would grow from 300 million to 700 million by 2000. The study claimed that for every eight people in the world, one would own a car by the end of the century. But by 1985, only one out of 13 people around the world—and one out of 100 people in the Third World—was a car owner. Now experts say that the worldwide car supply won't top 530 million by 2000.

At the same time that the world auto industry was predicting exaggerated growth, the Organization for Economic Cooperation and Development (OECD)—after two oil shocks—forecast the auto industry's death. Only fuel-efficient, boxy mobiles would attract about 38 million buyers by 1990, it claimed. Luxury and transportati[illegible] would begin to mix like oil and wa[illegible].

But the fickl[illegible] car consumer challenged both projections, the euphoric and the dismal. Car-buying did hit an all-time high in the early 1970s, but it skidded into an oil crunch by the end of the decade. When the industry shrank car features down to the basics in the early 1980s, consumers began to demand luxury, status, and style again.

That pattern still confuses the world's 150 producers of 31 million cars annually. Where are the new auto consumers and what do they want?

Traditionally, the U.S. and Europe bought and sold cars for each other. In 1960, about 80 percent of car exports stayed within OECD countries. Car ownership in the U.S. grew 4 percent a year between 1950 and 1973, and 2 percent a year between 1974 and 1985, according to the Worldwatch Institute.

But the growth of the Japanese auto industry changed the nature of this OECD trade. In 1965 Japan exported US$115 million worth of automobiles. By 1985, it exported US$25 billion, or one-third of the OECD total. Japanese producers now target their domestic buyers. The Japan Automobile Dealers Association predicts that domestic sales will top 4.2 million cars by the end of the year.

The number of Japanese car buyers is growing for two reasons: disposable income is rising, and real estate is becoming unaffordable. With

AUTO-MATION

Nearly one million workers have left the auto industry since 1979.
Most producers meet the current rise in demand through increased automation.
(Employment in selected automobile companies, 1979 and 1985)

	1985	*1979*
United States*		
General Motors	511,000†	618,000
Ford	174,000†	239,000
Chrysler	85,000	109,000
West Germany		
VW Audi	259,000	240,000
Daimler Benz	162,000	141,000
Ford Germany	46,000	57,000
France		
Peugeot	177,000	265,000
Renault (cars)	144,000	164,000
Great Britain		
British Leyland	102,000	168,000
Ford UK	53,000	67,000
Italy		
Fiat (cars)	100,000	164,000
Sweden		
Volvo group	66,000	65,000
Japan		
Toyota	62,000	45,000
Nissan	59,000	57,000
Honda	27,000	21,000

* ***Note:*** *The figures for U.S. auto makers are for their U.S. employees only.*
† ***Note:*** *Some automobile companies include workers in non-automotive activities.*
Source: *Daniel T. Jones, "Structural Adjustment in the Automobile Industry,"* Science Technology Industry Review, *OECD, Paris, no. 3, April 1988, p. 10.*

no incentive to save their extra yen for a home, Japanese consumers have gone on a buying binge. Sales of mid-sized cars grew 19 percent from March to April of this year. Small-car sales rose 18 percent.

Japanese consumers now buy more than 2,000 new BMWs and about 1,800 Mercedes a month. In April, the number of German cars imported into Japan rose 32 percent from the year before.

Few new cars now go to first-time buyers in industrialized countries other than Japan. More than two-thirds of all cars bought in Europe and the United States replace old automobiles. That increases the potential for used-car sales.

In the United States, one in two people owned a car, on average, in 1985. One in three owned a car in West Germany, Italy, France, and the United Kingdom, and one in four owned a car in Japan. Experts predict an overcapacity of 6 to 7 million cars by 1990.

Declining real income is one reason why American households think twice before buying a new car. It took 18 weeks worth of median family income in the U.S. to buy a new car in 1979—by 1986 it took 23 weeks worth. In addition, the University of Michigan's Transportation Research Institute predicted that the median U.S. car price will rise nearly 20 percent from 1985 to 1995.

The situation is even worse in Latin America. As real wages fell between 25 and 50 percent in Brazil and in Mexico, the demand for automobiles also was cut in half. There are now nearly 13 people for every car in Brazil and 15 people for every car in Mexico. In 1984, it took a Mexican 265 weeks to earn enough money to buy a Ford Topaz, according to the Worldwatch Institute.

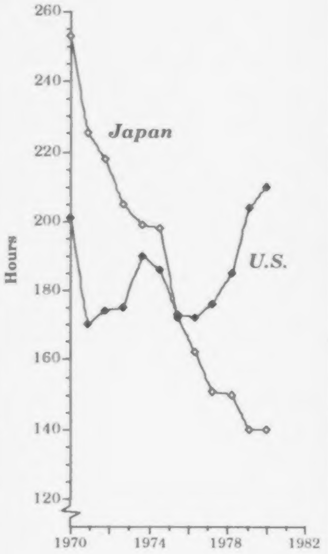
Although the population is growing by about 2 percent a year in most other Latin American countries, the relative share of car buyers will not grow significantly. Wealth is concentrated in a very small segment of the region's population: the richest 10 percent of all Brazilians, for example, earn more than half of the national income.

Unlike Latin America, real incomes are rising fast in the Newly Industrialized Countries. South Korean car sales have tripled since 1980, and the number of Chinese car owners has increased tenfold in only five years. Still, there is room for growth: currently there is only one car owner for every 77 South Koreans and for every 2,000 Chinese.

—*Blayne Cutler*

TRADING PLACES

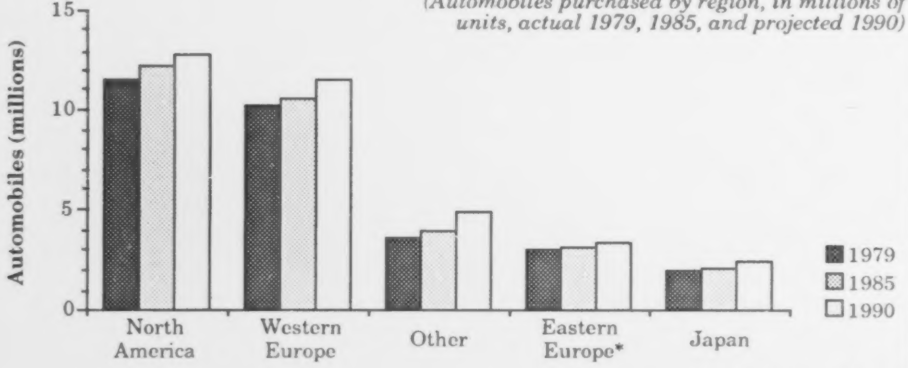
How long does it take to build your car? It depends on who builds it. (Hours required to build an automobile, Japan and U.S., 1970–1981)



Source: Daniel T. Jones, "Structural Adjustment in the Automobile Industry," Science Technology Industry Review, *no. 3, OECD, Paris, April 1988, p. 25.*

CAR CRAVINGS

Car consumption is still rising, but first-time buyers won't be concentrated in the U.S. and Europe anymore. (Automobiles purchased by region, in millions of units, actual 1979, 1985, and projected 1990)



** Note: Includes U.S.S.R.*

Source: OECD, 1983, pp. 22 and 42, and Automotive News, *12/29/86, p. 5; in Daniel T. Jones, "Structural Adjustment in the Automobile Industry,"* Science Technology Industry Review, *no. 3, OECD, Paris, April 1988, p. 14.*

REGIONS: CONSUMER TRENDS AROUND THE WORLD

Britain's 1991 national census brings controversy. Census officials announced that the trial census will include a question on racial origin never before included in a British census.

Officials proposed the racial origin question in 1981 but later abandoned it under pressure. A government spokesman denied that the question was designed to track down illegal immigrants.

Britain's trial census will cover about 85,000 households in Edinburgh, London, and at least one other location.

INTERNATIONAL DEMO MEMO

Where TV violence is greatest

(Violent acts per hour on prime-time television):

West Germany	*8.6*
Japan	*7.0*
U.S.	*5.5*
Great Britain	*2.5*

Source: *G. Cumberbatch, Aston University, in* The Economist, *5/21/88, p. 66.*

Japanese reassess their priorities: family is more important than health and work, according to *Asahi Shimbum*'s citizens' consciousness trends survey. While 42 percent of Japanese chose health as their number one priority, and only 33 percent chose family in 1978, those shares have reversed in 1987. Both family and health still take precedence over work, money, property, and friends.

ASIA/
PACIFIC

Japanese white-collar workers dream of owning their own homes, travelling abroad, marrying, and having a "happy family," according to Hakuhodo Institute of Life and Living's *1987 Survey of Male and Female White Collar Workers.*

But recent gains in household income do not necessarily bring life satisfaction. Only 65 percent of Japanese reported that they were "satisfied with their present life" in 1987, compared to 71 percent in 1985, according to the *Public Opinion Poll on National Life* conducted by the Prime Minister's Office. One in four Japanese felt that "life will get better in the future" in 1985. In 1987 only one in five felt that way.

Will Canadian couch potatoes kill the big screen? Annual movie attendance fell from 17 movies per person in 1950 to 3 movies per person in 1985, according to Statistics Canada. The total number of movie tickets sold dropped from about 250 million in the 1950s to just under 75 million in 1985.

While most of the drop in regular movie attendance took place in the 1950s, most of the decline in drive-in attendance occurred during the past decade. The number of Canadian drive-in fans fell from 13 million in 1976 to fewer than 6 million in 1985.

"Family theaters" threaten the life of the big screen. Two-thirds of Canadian households are cable households, while one-third are VCR households. These figures correspond to a decline in the number of motion picture theaters from 1,950 in 1955 to 788 in 1985. The number of drive-ins fell from 315 in 1975 to 219 in 1985.

Canadians watch few native films. More than half the feature films shown in 1983 came from the United States. Nineteen percent of all new releases from 1972 to 1983 were French while 9 percent were Italian. In all, new releases fell from a peak of 970 in 1979 to 474 in 1983.

NORTH AMERICA

Canadians in Alberta watch the most movies. They watched 4 movies at the theater in 1985, on average, while Canadians in New Brunswick, Newfoundland, Prince Edward Island, and Quebec only watched two movies that year.

Urban women in the Dominican Republic are more likely to have a college education than rural women, according to the Institute for Resource Development's Demographic and Health Survey, *Encuesta Demografica y de Salud,* conducted in conjunction with the government's population agency, Consejo Nacional de Poblacion y Familia.

Overall, only 8 percent of women are college-educated, but 12 percent of urban women and 2 percent of rural women have been to a university.

Women in the National District, or the Distrito Nacional, are the most likely to have a college degree. Fully 12.3 percent of these women have received higher education. Women in the southwestern provinces, such as Pedernales, Barahona, San Juan, and Independencia, are the least likely to be college educated. Only 3.1 percent of these women have attended a university.

CITY STATS

CLOSE QUARTERS

Urban Chinese families live a cramped lifestyle by Western standards. (Living space per household, and per capita, in square meters, and number of rooms per household, by Chinese city, 1985)

	Space per household (sq. m.)	*Space per capita (sq. m.)*	*Number of rooms per household*
National average	32.96	8.60	2.02
Cities:	27.78	7.48	1.81
Beijing	30.75	8.23	2.09
Tianjin	25.06	6.95	1.66
Taiyuan	34.53	8.33	2.15
Shenyang	21.71	6.05	1.33
Dalian	22.88	6.31	1.62
Anshan	24.25	6.78	1.38
Changchun	24.13	6.49	1.58
Harbin	26.02	6.47	1.59
Shanghai	25.77	6.99	1.72
Nanjing	30.63	8.70	1.94
Jinan	33.53	9.00	2.30
Qingdao	27.39	7.73	1.94
Wuhan	32.78	8.74	1.97
Guangzhou	32.56	8.12	2.07
Chongqing	23.58	8.01	1.94
Chengdu	34.55	9.63	2.12
Kunming	30.03	8.50	2.06
Xian	32.00	8.51	2.06
Lanzhou	32.44	8.56	2.13

Source: A Survey of Income and Expenditure of Urban Households in China, 1985, *State Statistical Bureau, China Statistical Information and Consultancy Service Centre and the East-West Center, Hawaii, 1988, p. 12.*

Canadian Consumer Outlook

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PUBLICATIONS

The Economics of Mass Migration in the Twentieth Century, Sidney Klein, Paragon House Publishers, 2 Dag Hammarskjold Plaza, New York, NY 10017, US$22.95.

Most immigrants are workers. They send their money to relatives who live abroad, and they contribute to economic growth and cultural diversity. But immigrants can also displace native workers.

How have the 3 million people who came to the U.S. between 1980 and 1984 fared, given the costs and benefits of immigration? Author Sidney Klein weighs the bonuses that immigrants add to a population against the problems they cause for themselves and their new neighbors.

Klein examines the consumer and employment patterns of Koreans and Indians in the U.S., Europeans in Latin America, and Asians in Australia and New Zealand.

Koreans in the United States, for example, had higher incomes, more workers per family, and a higher share of women employed, than the general population in 1980, according to the Census Bureau.

Of the 94,000 Indian workers in the U.S. in 1981, 72,800 worked in professional or technical occupations, according to Klein. More than 6,000 worked as managers and administrators, and 11,000 worked as sales, clerical, or craftspeople. Only 4,100 Indians worked as laborers or service workers.

More migrants to Australia are coming as refugees from Asia, according to Klein. The share of migrants from East Asia grew from 4 percent in 1951 to 27 percent in 1980. Thirteen percent of all Australian immigrants in 1978 were refugees, while 19 percent were refugees in 1982. The share of foreigners who came to unite with their families declined from 27 percent of in 1978 to 18 percent in 1982.

—*Blayne Cutler*

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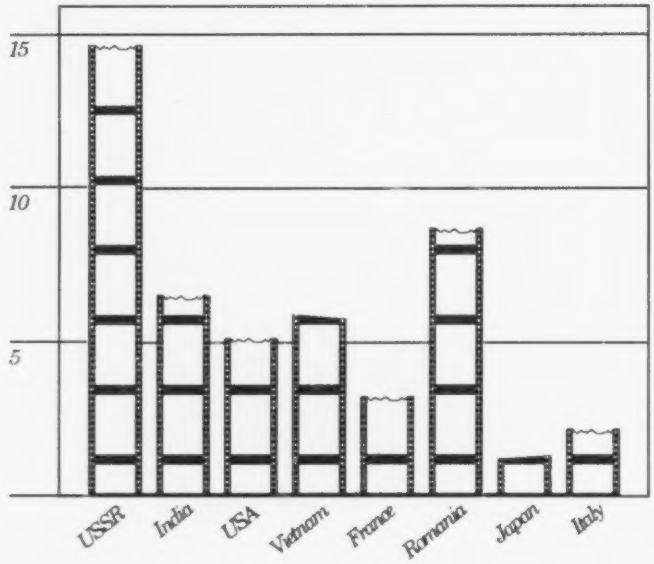
MAD FOR THE MOVIES

FACTS ON FLICKS

For every trip a U.S. moviegoer makes, a Soviet moviegoer makes three. (Number of movies attended per person per year, by country, 1985)



Note: Total movie attendances in the above countries are as follows: U.S.S.R. 5.0 billion; India 4.9 billion; U.S. 1.2 billion; Vietnam 344 million; France 172 million; Romania 188 million; Japan 155 million; and Italy 122 million.
Source: UNESCO Statistical Yearbook 1987.

The world's most avid moviegoers don't live on Sunset Boulevard. They live in Moscow or Bombay.

LIFESTYLES AROUND THE WORLD

American cinema is unique for its teen movies and summer flicks. But America doesn't corner the market on stock movies for the masses. India has its Bombay-talkie, Japan has its *yakuza mono* (gangster films), and Hong Kong has its kung fu cache. Moviemaking is big business around the world, and the most avid moviegoers know little of Sunset and Vine.

Filmmakers produce movies in at least 67 countries and show them in more than 125. Around the world, each person goes to the movies three times a year, on average, for an annual world attendance of 12.1 billion viewers. And there is still room for growth: More than 250,000 fixed indoor theaters house over 70 million seats worldwide.

Hollywood's box-office revenues account for about US$4 billion. That's only two-thirds of the world market for film. Worldwide videocassette rentals and sales totaled US$7.2 billion in 1987, a 10 percent

(continued on page 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 10 OCTOBER 1988

NEW ZEALAND'S PACIFIC BLEND

New Zealanders blend Eastern and Western cultures with ease. Their economy, however, is not so integrated.

IN DEPTH

On two large islands in the South Pacific, more than 3 million New Zealanders blend three distinct cultures. Far from a provincial "Little Britain," New Zealand now fuses Australian, Polynesian, and Asian lifestyles.

While 84 percent of all New Zealanders trace their heritage back to Europe (primarily to Britain), 12 percent are indigenous Maoris, 3 percent are Polynesians who immigrated from Pacific islands, and one percent come from other regions.

One in five New Zealanders living in Auckland, the country's largest metropolitan area, is Polynesian, making it the largest Polynesian city in the world. Whereas Australia's Anglo-Saxon base expanded through European immigration, New Zealand's Polynesian influence grows through Pacific links—to the Cook Islands, Niue Island, the Tokelau Islands, Samoa, and Tonga.

This cultural blending will con-

THE "UNDER" COUNT

New Zealanders down under will continue to drift north through the end of the century. (New Zealand's local government regions by census populations, 1981, 1986, and projected 2006, and average annual population growth 1981–86 and 1986–2006)

Local government region	*Population*			*Average annual population growth*	
	1981	*1986*	*2006*	*1981–86*	*1986–2006*[1]
Total, New Zealand	3,175,737	3,307,084	3,760,000	0.8%	**0.7%**
Total, North Island[2]	2,322,989	2,441,615	2,874,000	1.0	**0.9**
1. Northland	113,994	126,999	164,000	2.3	**1.5**
2. Auckland	827,408	887,448	1,075,000	1.5	**1.1**
3. Thames Valley	54,343	58,665	68,000	1.6	**0.8**
4. Waikato	221,850	228,303	268,000	0.6	**0.9**
5. Bay of Plenty	172,480	187,462	231,000	1.7	**1.2**
6. East Cape	53,295	53,968	60,000	0.3	**0.6**
7. Tongariro	40,089	40,793	46,000	0.4	**0.6**
8. Taranaki	103,798	107,600	121,000	0.7	**0.6**
9. Wanganui	68,702	69,439	76,000	0.2	**0.5**
10. Hawke's Bay	137,840	140,709	166,000	0.4	**0.9**
11. Manawatu	113,238	115,500	131,000	0.4	**0.7**
12. Horowhenua	49,296	53,592	59,000	1.7	**0.5**
13. Wellington	323,162	328,163	365,000	0.3	**0.6**
14. Wairarapa	39,689	39,608	42,000	0.0	**0.3**
Total, South Island[3]	852,748	865,469	886,000	0.3	**0.1**
15. Nelson Bays	65,934	69,648	75,000	1.1	**0.4**
16. Marlborough	37,557	38,225	39,000	0.4	**0.1**
17. West Coast	34,178	34,942	35,000	0.4	**0.0**
18. Canterbury	336,846	348,712	374,000	0.7	**0.4**
19. Aorangi	84,772	81,294	78,000	–0.8	**–0.2**
20. Coastal–North Otago	138,164	137,393	130,000	–0.1	**–0.3**
21. Clutha–Central Otago	45,402	48,771	53,000	1.5	**0.4**
22. Southland	107,905	104,618	102,000	–0.6	**0.0**

[1] ***Note:*** *Department of Statistics's projections for "medium" fertility and net migration.*
[2] ***Note:*** *Includes the population of Great Barrier Island County and extra-county islands.*
[3] ***Note:*** *Includes the population of Chatham Islands County and extra-county islands.*
Source: Demographic Trends, 1987, *New Zealand Department of Statistics, tables G.2 and I.1.*

Consumer markets abroad

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tinue, since intermarriage is common and the number of Polynesians is growing faster than the total New Zealand population. Forty-six percent of the country's population growth between 1981 and 2011 will come from people of Maori descent. By 2011, Maoris will make up 17 percent of all New Zealanders.

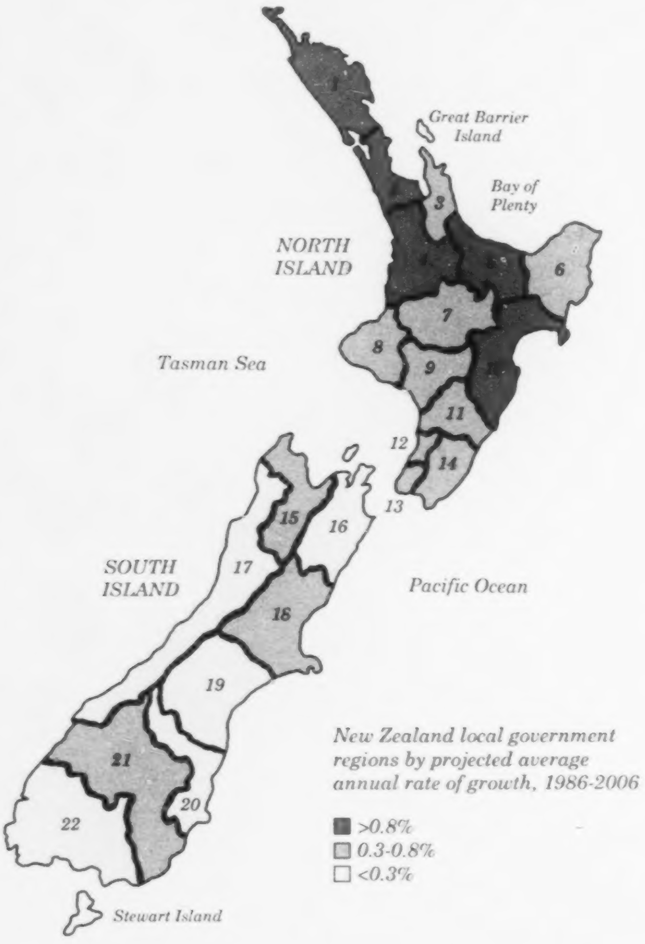
ISLAND PARADISE

New Zealand has as much land as Britain. Narrow, mountainous islands stretch a distance equivalent to North America's western coastline from Los Angeles to Vancouver. But New Zealand's land supports only 6 percent as many people as Britain's does (3.3 million compared with 56 million).

One-quarter of all New Zealanders live in Auckland, the country's largest metropolitan area, and fully three-quarters live on North Island, the smaller of the country's two major islands. As in Norway, geography places severe

THE NORTHERN FRONTIER

Of New Zealand's local government regions, Northland and Auckland will grow fastest between 1986 and 2006. (New Zealand local government regions by projected average annual rate of population growth, in percent, 1986–2006)


1
Great Barrier Island
3
Bay of Plenty
NORTH ISLAND
6
7
8
9
Tasman Sea
11
12
14
13
15
16
SOUTH ISLAND
17
Pacific Ocean
18
19
21
20
22
Stewart Island
New Zealand local government regions by projected average annual rate of growth, 1986-2006
■ >0.8%
▨ 0.3-0.8%
☐ <0.3%

Map source: *New Zealand Demographic Society.*

SPREAD THIN

Three out of four New Zealanders live on North Island. (Population of New Zealand local government regions as a percent of total population, 1986)

Local government region	*Percent of total*
Total, New Zealand	100.0%
Total, North Island	**73.8**
Northland	3.8
Auckland	26.8
Thames Valley	1.8
Waikato	6.9
Bay of Plenty	5.7
East Cape	1.6
Tongariro	1.2
Taranaki	3.3
Wanganui	2.1
Hawke's Bay	4.3
Manawatu	3.5
Horowhenua	1.6
Wellington	9.9
Wairarapa	1.2
Total, South Island	**26.2**
Nelson Bays	2.1
Marlborough	1.2
West Coast	1.1
Canterbury	10.5
Aorangi	2.5
Coastal–North Otago	4.2
Clutha–Central Otago	1.5
Southland	3.2

Source: Demographic Trends, 1987, *New Zealand Department of Statistics, table E-2.*

CROWD CONTROL

Even New Zealand's largest cities are spacious by urban standards. (New Zealand local government regions by density, in persons per square kilometer, 1986)

Local government region	*Density (persons per km²)*
Total, New Zealand	**12.4**
Total, North Island	**21.3**
Northland	10.1
Auckland	170.6
Thames Valley	12.6
Waikato	17.2
Bay of Plenty	20.5
East Cape	4.7
Tongariro	3.4
Taranaki	13.7
Wanganui	7.6
Hawke's Bay	11.4
Manawatu	17.3
Horowhenua	33.2
Wellington	234.0
Wairarapa	5.7
Total, South Island	**5.7**
Nelson Bays	6.8
Marlborough	3.0
West Coast	1.5
Canterbury	18.9
Aorangi	4.1
Coastal–North Otago	13.0
Clutha–Central Otago	1.7
Southland	3.8

Source: Demographic Trends, 1987, *New Zealand Department of Statistics, table E-2.*

constraints on all aspects of service, communication, and distribution.

SLOWING DOWN

Like many European countries, New Zealand's primary population concern has gone from one of growth to one of composition. The total population grew about 1.7 percent a year between 1951 and 1981. But growth is projected to slow to 0.5 percent between 1981 and 2011.

Fast growth meant a greater all-around demand for goods and services through the late 1970s. In shaping consumer demand today, the size of one segment of the population relative to another is more important than the total population size.

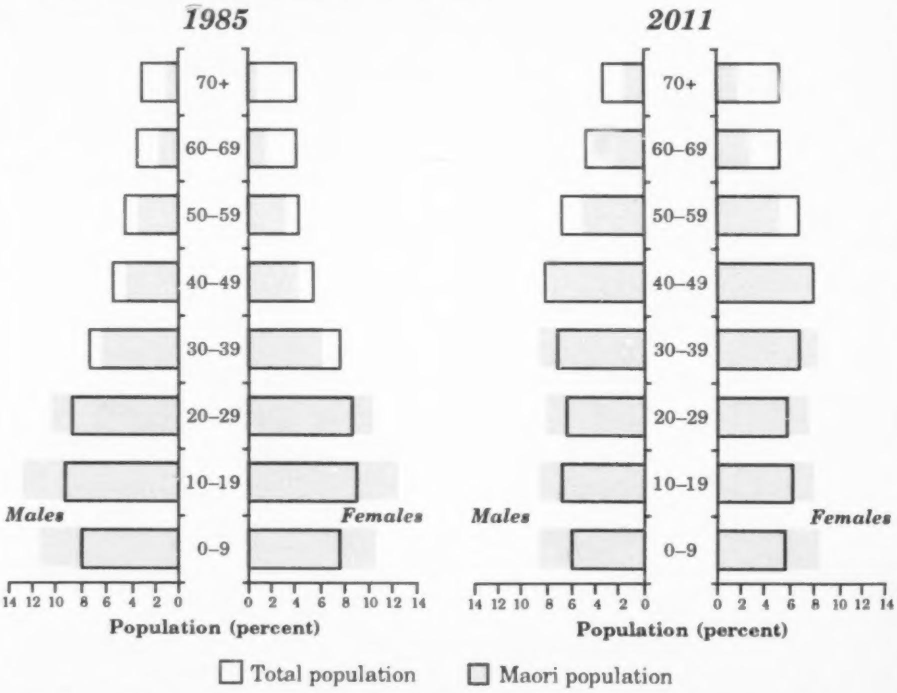
Age will play a major role in New Zealand's changing demands for goods and services. An older labor force will affect recruitment and promotion, while pensions and insurance will also become more important industries.

Regionally, population growth follows a "drift north" pattern, much like the American "drift west." New Zealand retirees will continue to move to warm coastal areas of the country, and many people will move from one city to another. Marketers will find increasingly distinct regional preferences throughout the country.

Migration should contribute to a greater population imbalance between New Zealand's north and south islands. As future growth concentrates in the north—already the home of three out of four New Zealanders—the country's uneven population distribution will intensify. Growth will be strongest in Auckland, around Wellington and its commuter zones, in coastal areas,

HEAD COUNT

Proportionally, Maoris are much younger than all New Zealanders today, but they will dominate middle-age groups by 2011. (Populations of total New Zealand and Maori populations, by age group, in percent, 1985 and projected 2011)



Source: Demographic Trends, 1987, *New Zealand Department of Statistics; New Zealand Demographic Society.*

and all of the regions where tourists or retirees gather.

BABY BOOMERS DOWN UNDER

America's postwar baby boom was mild compared to New Zealand's. Its boom marked a return to pioneer marriage patterns, where women married young and bore about six children each. New Zealand's baby boom lasted longer than that of the United States, but came to a dramatic halt in the 1970s with the widespread introduction of contraceptives there.

Births come fewer and later in the 1980s, although there are some exceptions. Many couples are just barely replacing themselves, but women aged 27 to 34 are bearing more children than women in that age group have before, as are women aged 35 to 39.

IMMIGRATION

Foreign-born New Zealanders are a smaller and smaller share of the total population. The share of immigrants to the total population fell from an all-time high of 50 percent in 1881 to 20 percent after World War II, and to 15 percent in 1986.

Politics plays a large role in the immigration record of the 1970s and 1980s. Given the country's below-replacement fertility, net migration will become more important to New Zealand's growth in the coming years.

MAORI TROUBLES

While New Zealand's many cultures integrate well, their socioeconomic gains are not as even. The Maori minority has followed a Third World growth pattern, with large families and high mortality rates. Some of the changes characteristic of industrializing populations are just beginning for the Maoris, whereas they have already taken place for most other New Zealand ethnic groups.

Maori families shrank rapidly in the late 1970s, a little bit later than for other New Zealand families. This change means that the Maori age structure will increasingly diverge

CATCHING UP

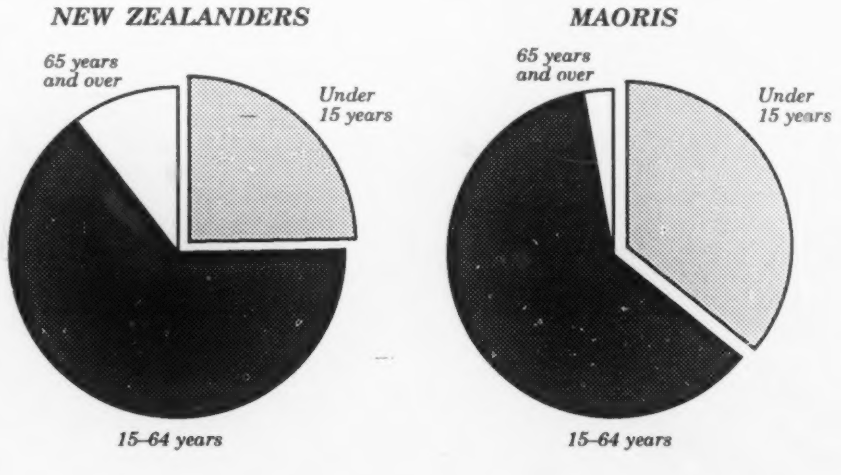
The life expectancy gap between New Zealand men and women is smaller than it is between American or French men and women. (Expectation of life at birth, by sex, New Zealand and selected countries, 1985)*

Country	*Men*	*Women*
Australia	72.6	79.1
United Kingdom	71.1	77.1
France	70.4	78.5
New Zealand	**71.0**	**76.8**
Singapore	68.7	74.0
Sweden	73.6	79.6
U.S.	70.1	77.6

***Note:** *Data for Australia are for 1984; for England and Wales, 1980–82; for France, 1983; for New Zealand, 1985; for Singapore, 1980; for Sweden, 1983; and for the U.S., 1984.*
Source: Demographic Trends, 1987, *Department of Statistics, New Zealand, table C.5.*

GENERATION GAP

On the whole, Maoris are younger than most New Zealanders: More than one-third are under age 15. (New Zealand and Maori population by age group, in percent, 1985)



Source: Demographic Trends, 1987, *New Zealand Department of Statistics, table A.7.*

AUSTRALIAN PULL

Most New Zealand emigrants go to Australia. They shape New Zealand's total migration pattern. (Migration by country of last permanent residence or country of next residence, New Zealand, 1978–1986)

	Net migration	
Year	*To/From Australia*	*Total*
1978	–22,076	–26,708
1980	–29,618	–34,437
1982	–20,814	–11,482
1984	1,674	6,558
1986	–22,578	–21,513

***Note:** A negative number denotes an excess of departures over arrivals.*
Source: Demographic Trends, 1987, *New Zealand Department of Statistics, table D.6.*

from the age structure of other ethnic groups.

BRITISH ETIQUETTE

New Zealand derived its social structure primarily from the United Kingdom. One out of every two New Zealanders belongs to a main-line Protestant church: 24 percent of these Protestants are Anglican, and 18 percent are Presbyterian. Only about 15 percent of New Zealanders are Catholic.

Recently, small charismatic and Pentecostal groups have gained ground, although one in four New Zealanders reported "no religion" in 1986. Church attendance rates are lower than in the United States.

New Zealand was one of the first places in the world where women could vote. The Ministry of Women's Affairs was established in 1985. Even so, women are still underrepresented in a number of key economic sectors, and New Zealand women, particularly Maori women, are overrepresented among the poor and the unemployed.

HEALTH AND EDUCATION

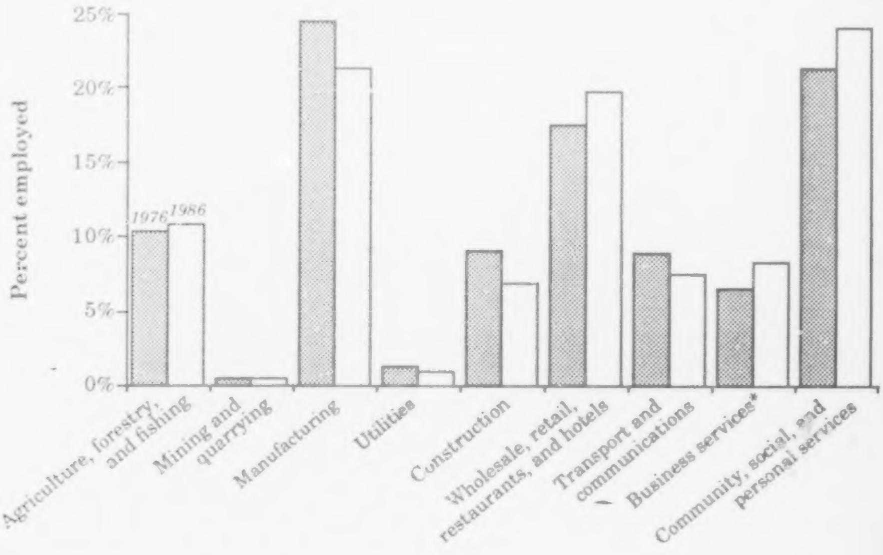
New Zealanders live a long life, on average. Men live 71 years; women live 77 years. Non-Maori women have the highest life expectancy of any group.

The employment structure reflects an educated population. New Zealand was one of the first countries to introduce free compulsory schooling (in 1877), and all children from 6 to 15 years old still receive a secular education.

While basic education is guaranteed, participation rates in higher education still lag behind those of many European countries. Only 8.4 percent of all 18-to-24-year-olds in New Zealand went to a university in 1986. That was only half the partici-

AFTER THE ASSEMBLY LINE

Service, farming, and retail trade keep New Zealanders employed. Manufacturing and construction have fallen on hard times. (Employment by sector in New Zealand, in percent, 1976 and 1986)



* ***Note:*** *Includes finance, insurance, and real estate.*
Source: New Zealand Census, *New Zealand Department of Statistics.*

pation rate in Ontario, Canada, where the university system is closely comparable to New Zealand's.

WOOLLY WORKS

Family-owned and operated farms are the mainstay of New Zealand's economy. Three-fifths of the country's exports begin on farms. New Zealand's demographic transition, urban growth, and industrial patterns parallel those of Canada, Australia, and the United States. But its dependence on pastoral exports parallels Uruguay's.

Twelve percent of all workers spend their day in primary industrial occupations. Workers in secondary industry accounted for 28 percent of all workers in 1986—down from 38 percent in 1966. Service workers are on the increase: About 60 percent of all New Zealanders perform some kind of service, up from 41 percent in 1936.

In addition to their close cultural relationship, New Zealand and Australia are intimately connected in an open market. These two countries form a 20-million-person consumer market—the southwestern arc of the Pacific Rim.

This summer, New Zealand and Australia signed an extended free-trade agreement that will eliminate all tariffs and export controls between the two countries by July 1, 1990. The mid-August accord speeds a process that began in 1983 with the Closer Economic Relations Agreement (CER).

REFORM CULTURE

New Zealanders are reformers—a holdover from their frontier past. Their penchant for equality has helped to create a more even spread of wealth than in most capitalist countries. One indication of this trend is the fact that fully 70 percent of New Zealanders own their own homes.

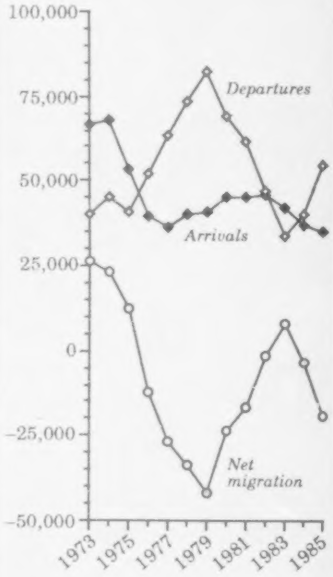
More than two-thirds of all families live in detached houses with an average occupancy of one person per bedroom. In addition, most households have a refrigerator, a washing machine, and a color television.

Given that relative level of prosperity, New Zealanders' ownership of sophisticated consumer durables is relatively low. One-quarter of all homes had a microwave oven in 1986, fewer than one-third had a videocassette recorder, only 17 percent had an automatic dishwasher, and 9 percent had a home computer.

But New Zealand spending habits are changing. In general, most households are moving away from

MIGRATION DOWN UNDER

While arrivals to New Zealand remain fairly constant, departures fluctuate dramatically. (Arrivals, departures, and net migration, New Zealand, 1973–1985)



Source: Demographic Trends, 1987, *New Zealand Department of Statistics.*

GOING TO THE CHAPEL, AGAIN

First-time brides and grooms are older than they used to be. So are second-time brides and grooms. (Average age at marriage of brides and grooms by previous marital status, New Zealand, 1970–1985)

	Average age of bridegroom (years)				*Average age of bride (years)*			
Year	*Never married*	*Divorced*	*Widowers*	*Total*	*Never married*	*Divorced*	*Widows*	*Total*
1970*	23.9	40.4	56.9	26.4	21.3	36.1	50.1	23.5
1975*	24.2	38.8	56.7	27.1	21.6	35.1	50.5	24.2
1980	25.2	39.2	57.9	28.7	22.7	35.8	51.9	25.8
1985	26.4	40.2	59.7	30.4	24.0	36.4	52.3	27.5

** Note: Prior to 1980, average age at marriage was calculated from complete years. From 1980 onwards average age at marriage was calculated from exact age.*
Source: Demographic Trends, 1987, *New Zealand Department of Statistics.*

basic needs and toward services. Travel, for instance, is almost a national obsession. In 1987, about 16 percent of the entire population traveled overseas.

SOURCES

New Zealand has a well-developed official statistical series. A census is taken every five years (the last one was taken in 1986). The official series also includes vital registration and migration data, and intercensal special surveys. Some of the more useful surveys cover the labor force, household income and expenditures, and employment.

Official data are most easily accessible in the *Yearbook* and in the *Monthly Abstracts of Statistics*. To contact the statistical offices, write to the Department of Statistics, Private Bag, Wellington, New Zealand.

A number of private-sector firms conduct consumer, media, and marketing surveys on national and regional samples. Demographic analyses specifically linked to business issues can be found in *Population Change, Business Implications and Planning*, published by the New Zealand Demographic Society, P.O. Box 225, Wellington. In addition, AGB-McNair published *Business and Market Implications of Population Change*. Write to Market Research and Information Systems, P.O. Box 11384, Wellington.

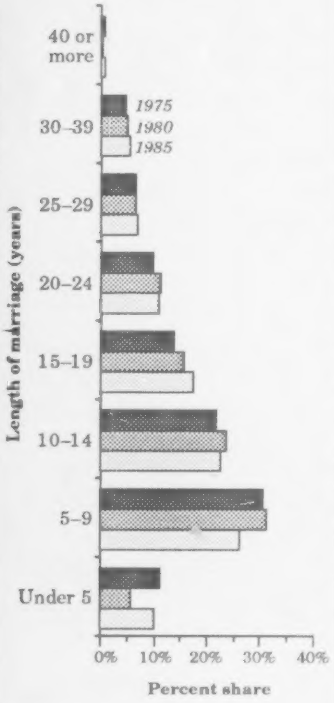
The New Zealand Planning Council frequently publishes reports by its Population Monitoring Group. The 1988 report will cover regional population trends. Contact the New Zealand Planning Council, P.O. Box 5066, Wellington.

The Population of New Zealand: Country Monograph No. 12, the most detailed study on population trends in New Zealand and their effects on the economy, society, and the environment, comes from the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). This two-volume monograph, part of a series on Asia and the Pacific, is available from the Population Division, ESCAP, United Nations, Rajadamnern Avenue, Bangkok, Thailand.

—Ian Pool, Director
Population Studies Centre
University of Waikato
—Janet Sceats, Medical Demographer
Waikato Hospital Board
Hamilton, New Zealand

BREAKING UP IS HARDER TO DO

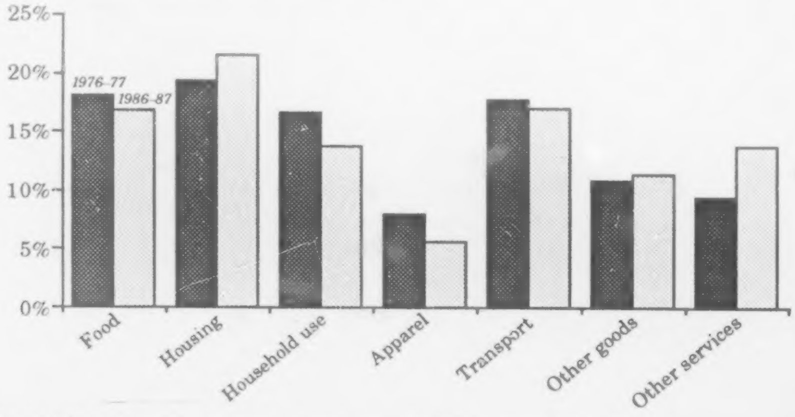
In 1975, New Zealand couples split up fast. Most marriages ended in less then ten years. By 1985, divorce struck old and new couples more evenly. (Percent of all divorces by duration of marriage, in years, New Zealand, 1975, 1980, and 1985)



Source: Demographic Trends, 1987, *New Zealand Department of Statistics, table F.9.*

HOUSEHOLD STASH

Housing and services take up a larger share of New Zealand budgets then they did a decade ago. (Average weekly household expenditures, in percent, New Zealand, 1976–77 and 1986–87)



Source: Household Income and Expenditure Surveys, *New Zealand Department of Statistics.*

*(**Mad for the Movies**, continued from page 1)*

increase over the 1986 total.

While American and European movie attendance peaked in the 1960s, and Japanese attendance peaked around 1970, Asian and African attendance continues to grow. Movie attendance has grown by more than 700 million viewers in less-industrialized countries, while it has declined by over 3 billion viewers in industrialized countries.

VIEWER DEMOS

The Soviet Union is the most avid moviegoing nation in the world. One in three moviegoers is Soviet, and each one of them sees 15 movies a year, on average. India runs a close second, and the United States runs a distant third.

But in terms of per capita attendance, none of the big three countries comes close to the Caribbean island nations. Residents of the Turks and Caicos Islands watch 80 movies a year, on average, according to the United Nations Educational, Scientific and Cultural Organization (UNESCO). Singapore and Hong Kong residents go to more than 10 movies per year, as do people from Iceland, Grenada, and the Falkland Islands.

The typical moviegoer is young. In the U.S., 12-to-24-year-olds accounted for more than half of all movie admissions in 1985. The number of 14-to-24-year-old viewers grew from 27 million in 1960 to 44 million in 1984.

As baby boomers age, cinemas will lose their first-date appeal. Movie attendance by those aged 40 and older rose 56 percent from 1986 to 1987, according to the Motion Picture Association of America.

The maturing of the motion-picture industry isn't universal. Eighty percent of Japanese filmgoers are still between the ages of 15 and 25, and the most avid British film fans are between 16 and 24.

British teens watch movies in pairs. One-third of all 16-to-24-year-olds who have a steady relationship report that they go to the movies at least once a month, while only 15 percent of British "singles" see movies that often.

MAKERS AND TAKERS

More than half the world's fixed cinemas (as opposed to mobile movie houses and drive-ins) are in the U.S.S.R. It has a total of 177,000 theaters, while the U.S. has only 16,000, and India has 13,000. Soviet theaters sometimes use cinemas to disseminate government information.

India is the most prolific movie-producing nation in the world. Indian producers released 806 films in 1986, down from a peak of 912 in 1985. Japanese writers, producers, and directors make more than 300 feature films a year, compared with the U.S. total of 264 in 1985, according to UNESCO. Other leading Asian movie producers are the Philippines, Hong Kong, Thailand, Taiwan, and the People's Republic of China.

But the foreign market for American films has been the greatest. In 1983, foreign movie houses rented US$2.1 billion worth of American films. In terms of revenue, American films play best in Germany, France, Japan, and the United Kingdom.

With videocassette rentals rising, the importance of foreign markets to the U.S. movie industry is declining. While foreign markets provided almost one-third of U.S. film revenues in 1978, they only accounted for 16 percent by 1984. Meanwhile, home video revenues went from zero percent of market share in the U.S. in 1978 to 12 percent in 1984, and pay TV went from 2 percent of market share to 19 percent in 1984.

—Stephen Karel
East-West Center
Honolulu, Hawaii

BIG SCREEN'S TOP TEN

Hollywood directors face stiff competition in Asia. India makes more movies than any other nation, and also has the world's largest seating capacity. (Number of long (feature) films produced by country, 1985; cinema seating capacity of selected countries, 1986)

Rank	Country	Number of long films produced*
1.	India	912
2.	Japan	319
3.	U.S.	264
4.	France	196
5.	U.S.S.R.	163
6.	Philippines	143
7.	Hong Kong	141
8.	Thailand	134
9.	Turkey	96
10.	Pakistan	92

Rank	Country	Number of seats (thousands)
1.	India	6,030
2.	U.S.	5,611
3.	U.S.S.R.	5,553
4.	Spain	3,100
5.	Indonesia	959
6.	Japan	950
7.	Czechoslovakia	895
8.	West Germany	723
9.	Bulgaria	717
10.	Brazil	708

** Note: The minimum length of films classified as "long" varies considerably from country to country. Most countries have adopted standards close to 2,000 meters.*
Source: UNESCO Statistical Yearbook 1987.

DISCOVER: GLASGOW, SCOTLAND

The Scottish glory that once was nautical is now high-tech.

Before she ever plied the Mississippi from her home in New Orleans, the *Delta Queen* slid down Scotland's River Clyde, cruising by the city of Glasgow, where the best ships were built.

World-renowned "Clyde-built" ships have gone the way of coal, steel, and textiles in Scotland. Glasgow industries that led Britain's industrial revolution now have slipped into what most consider irreversible decline.

But Glasgow is no longer suffering. Today, this city of about 725,000 residents—or about 15 percent of Scotland's total population—has cloned California's high-tech Silicon Valley. Scotland now produces more computer products per capita than any other country, and Scottish computer exports even exceed exports of Scotch whiskey in value.

"Silicon Glen"—a corridor brimming with computer and related industries—now employs 10,000 more workers than the old shipbuilding, coal, and steel manufacturers combined. The high-tech beltway that surrounds Glasgow extends north 70 miles to Edinburgh, Scotland's capital.

Politics plays a major role in this growth. The city's "Glasgow Action" program promotes native and foreign investment, as does the Glasgow-based Scottish Development Agency (SDA) and its seven-year-old "Locate in Scotland" program, which drew 88 new projects worth nearly US$500 million and about 11,900 jobs by July 1988.

SDA's incentives attracted US$3.5 billion over the past four years, mainly from the U.S., where the agency has offices in Stamford, Connecticut, Chicago, Houston, and San Francisco.

SCOTTISH EXODUS

But intense commercialization is rearranging downtown demographics, as businesses push Glasgow residents out of the city center. At the present rate of exodus, Glasgow's population is projected to drop below 700,000 by 1991—for the first time in 100 years.

From 1971 to 1981 Glasgow's city center lost 22.8 percent of its population. The number of households fell by more than 13 percent, although elderly households (aged 65 and over) increased by 54 percent.

Glasgow's age structure matches that of other European cities. The 15-to-29-year-old group makes up about 27 percent of the city's population. That group's share is ex-

GLASGOW GEOGRAPHY

Glasgow's population is almost evenly divided among housing districts.
(Population distribution by housing district, number and percent, Glasgow, 1987)

Housing district	*Number*	*Percent*
Total Glasgow	725,000	100.0%
South West	110,200	15.2
South	108,025	14.9
East	104,400	14.4
South East	92,800	12.8
West	84,100	11.6
North West	79,750	11.0
North	74,675	10.3
Easterhouse	47,850	6.6
Drumchapel	23,200	3.2

Source: Glasgow: A Statistical Profile of Economic and Social Change, *Scottish Development Agency, 1987.*

pected to decline sharply over the next few years, while Glasgow's share of 30-year-olds should grow significantly. Glasgow's share of "oldest old," aged 80 and over, will increase slightly as well.

QUALITY OF LIFE

More than half of Glasgow's housing —58 percent—is public, and 70 percent of it is rated in "poor" condition. That compares with England's 28 percent of public housing that is in poor condition. Fewer than 30 percent of Glasgow residents own their homes, compared with more than 60 percent of all British residents.

The city already is beginning to rival Edinburgh in insurance and financial services. By some estimates, Glasgow's financial importance is second in the U.K. only to "the City," London's banking district.

A highly qualified labor force is one reason companies relocate to Glasgow. "Our Scottish workers have proven to be among the best anywhere in the world—including Japan," says Shinji Yatsuzka, director of Mitsubishi Electric.

Fully 400,000 people work in the city; three-quarters of those are in services or administration. That makes Glasgow Scotland's largest employment and consumer market.

Electronics firms in Glasgow now employ 42,000 people. Of that total, 15,000 workers are new to the industry since 1985. U.S. firms hailing from Amherst to Anaheim employ one in every ten Scottish workers.

But the picture isn't all that rosy for Silicon Glen. Computer companies can't absorb the labor surplus fast enough: Glasgow's unemployment rate, currently running at about 21 percent, is among the highest in the U.K.

HIGH-TECH TO HIGH-RISE

Glasgow is building to meet the needs of Silicon Glen industries. Developers use low rents to attract corporate headquarters. The cost of office space in Glasgow can be half that in London—or less. But Glasgow's growth has its detractors. Some call the city a "Tartan Dallas."

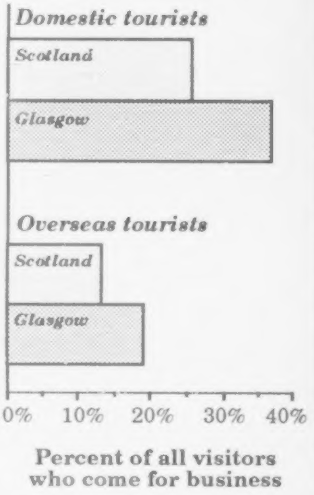
Despite U.K. prime minister Margaret Thatcher's lukewarm outlook on the 1992 single European market, Glasgow is gearing up for the event. Manufacturers' primary goal is to become Europe's supplier of high-technology products.

—Peter Inserra
Paris, France

For more information on Glasgow, contact Howard Moody, the North American director of SDA, at 1-800-THE-SCOT, or (203) 325-8525. SDA's East Coast address is 1 Landmark Square, Suite 810, Stamford, CT 06901.

CONVENTION CENTER

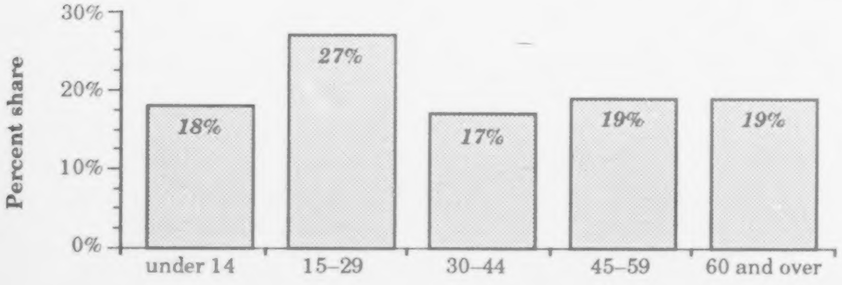
Most of Glasgow's visitors come for business. (Destination of business visitors to Scotland, in percent, 1987)



Note: Glasgow: A Statistical Profile of Economic and Social Change, *Scottish Development Agency, 1987.*

AGE GAUGE

Nearly one-third of Glasgow residents are aged 15 to 29. (Glasgow residents by age, in percent, 1987)



Source: Glasgow: A Statistical Profile of Economic and Social Change, *Scottish Development Agency, 1987.*

THE WORLD OF NEWS

Newspaper readers face the same temptation in every country: television.

PRODUCT COMPARISON

The United States may pride itself on having a free, aggressive press. But many countries rank higher in newspaper readership.

Japan is home to the world's most voracious newspaper readers, followed by East Germany, Liechtenstein, and Finland. Eighteen countries boast a larger share of newspaper readers than the United States, according to the United Nations Educational, Scientific, and Cultural Organization (UNESCO).

Circulation and literacy go hand in hand. A homogeneous population and a good educational system also contribute to the size of a nation's newspaper readership, according to Stanford professor Marion Lewenstein. Interest in international affairs, a heavily-used public-transit system, and a comfortable per capita income also help to boost circulation.

As of 1984 there were 125 daily papers in Japan, with a combined circulation of 57.4 million. Thus there were 562 copies circulated for every 1,000 Japanese—well above the Soviet Union's 422, the United States' 269, and France's 212.

A Japanese newspaper subscription buys a morning and an evening edition. Morning papers are more popular, largely because of an efficient 5 a.m. to 7 a.m. distribution network. Local papers fight for circulation with big national papers, such as *Yomiuri Shimbum,* which prints more than 14 million papers a day, and *Asahi Shimbum,* which has 7.5 million circulation. Japan is also home to the world's most highly read business paper, *Nihon Keizai Shimbum (Japan Economic Journal),* which prints twice daily, seven days a week: 2.7 million papers in the morning, 1.5 million in the evening.

Geography and state politics are two major reasons why the United States has not developed a sizable national press. The two biggest national papers are the *Wall Street Journal,* with 2 million readers, and the general-interest *USA Today,* with 1.3 million readers. Local papers account for most of the nation's 62.9 million circulation. Overall, there are 1,645 daily U.S. newspapers and 7,498 weeklies. Adult readership is highest among people aged 55 to 64; it is lowest among 18-to-24-year-olds. America's relatively high illiteracy rate—an estimated 13 percent of American adults are illiterate—contributes to a proportional decline in readership.

Not only is U.S. newspaper circulation dwindling, but readership habits are changing as well. Afternoon papers are disappearing almost as fast as the blue-collar

READ ALL ABOUT IT . . .

Total newspaper circulation is highest in the U.S.S.R., but proportionally, Japanese read the most.
(Estimated newspaper circulation and circulation per thousand people, by country, 1970 and 1985)*

	Circulation		*Per thousand*	
Country	*1985*	*1970*	*1985*	*1970*
Japan	68,296,000	53,023,000	569	512
U.S.S.R.	109,306,000	81,633,000	405	336
U.S.	62,920,000	62,108,000	269	303
Canada	5,667,000	5,534,000	219	230
France	10,332,000	12,067,000	191	238

* ***Note:*** *Figures for Canada are for 1978, not 1970; figures for France and the U.S.S.R. are for 1982, not 1985.*
Sources: Statistical Handbook of Japan 1987, *Statistics Bureau, Management and Coordination Agency, Tokyo;* Canada Yearbook 1988, *Statistics Canada;* Statistics Yearbook 1984, *UNESCO.*

workers who get home early enough to read them. There are more two-income families and there is less time to read papers. In general, U.S. newspaper readership is not keeping pace with the growth in population and households.

France also ranks poorly in newspaper readership. Twenty-three countries have proportionally more readers than France, with its 101 dailies and 12 million circulation.

French newspaper chains have snapped up local papers in recent years, sometimes reducing local coverage to inserts. The country's largest daily, the Rennes-based *Ouest-France,* puts out dozens of different local editions.

The Soviet Union ranks seventh in newspaper readership, according to UNESCO, with 724 dailies and a total circulation of 116 million. Soviet circulation numbers may be suspect because they measure distribution—not actual readership—of state-run papers. Even so, *glasnost* has caused a boom in readership.

The weekly tabloid *Moscow News* languished at 50,000 readers five years ago; with a new editor and livelier content, it now has more than 1 million readers. The two major national dailies, *Pravda* and *Izvestia,* are offering more-daring coverage and including letters to the editor. *Pravda,* the only Soviet paper to print 365 days a year, has a circulation of about 18 million. In addition to the national dailies, there are Soviet papers that cover republics, territories, districts, cities, and even farm collectives.

According to United Nations data, Soviet newspaper circulation has been steadily climbing, from 336 papers per 1,000 people in 1970 to 422 in 1984. If these numbers are accurate, the Soviet Union is bucking a global trend of declining newspaper readership. Even Japan's 562 papers per 1,000 people in 1984 is down from 575 in 1982. France's 212 is down from 238 in 1970, and the U.S.'s 269 is down from 303 in 1970.

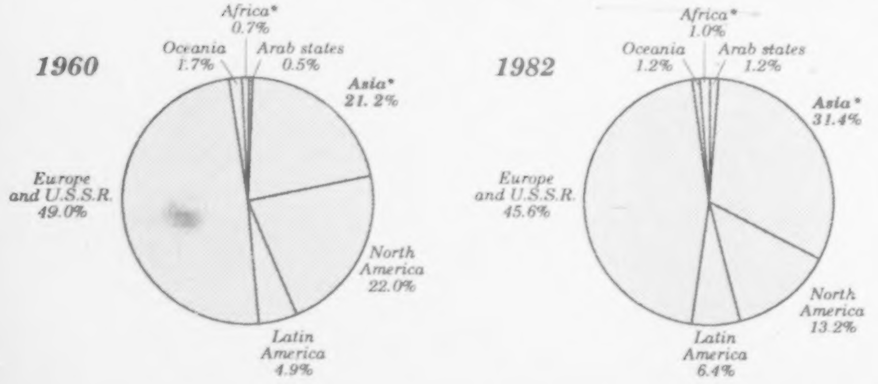
Why the worldwide drop? Factors vary by nation, notes Lewenstein: In England, an increasing number of ethnic minorities don't identify with news coverage; in the United States, citizens have become detached from their national and local governments. But one factor is universally affecting newspaper circulation: broadcast media. After all, television makes no demands on literacy.

—Ruth Hamel
San Francisco, CA

Japan is home to the world's most voracious newspaper readers, followed by East Germany, Liechtenstein, and Finland.

REGIONAL READERSHIP

A growing share of newspaper readers are Asian. (Distribution of circulation of daily general-interest newspapers, by region, in percent, 1960 and 1982)



** **Note:** Excluding Arab states.*
Source: UNESCO Statistical Yearbook 1984, *VI-4, figure 14.*

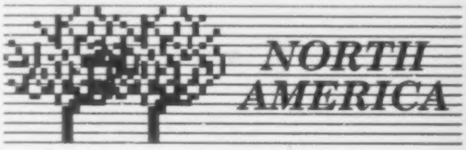
REGIONS: CONSUMER TRENDS AROUND THE WORLD

Londoners prosper: 48 percent of London householders said they were financially better off than they were a year before. Only 41 percent of all British say they are financially better off, according to a 1986 study released last August on U.K. lifestyles.

The study, conducted by independent research company Mintel, surveyed nearly 1,000 British households as to their buying habits and attitudes. Forty percent of those responding in Britain's southeast (which includes London) felt bothered by overcrowding, a housing shortage, traffic congestion, and rail commuting. These British reported disappointment with the southeast's high crime rate, stress, and cost of living.

Southeastern residents "are involved in the affluence trap," says Frank Fletcher, research director of Mintel. "They are materialistic and competitive in a way that northerners are not."

The study shows that the prosperity divide between Britain's north and south is widening. Half of all British in the north said that they were financially worse off than the year before. Even so, overall car ownership in the U.K. is up, as is color TV ownership (85 percent of all households), video ownership (25 percent), and microwave ownership (35 percent). For more information, write to Mintel, KAE House, 7 Arundel Street, London WC2, England.

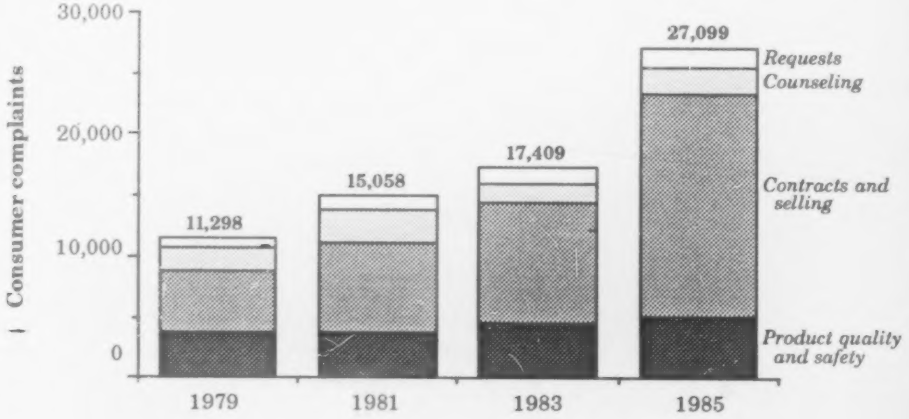


Canadian seniors give generously—to each other, according to Statistics Canada's new study, *Family and Friendship Ties among Canada's Seniors*. Those aged 55

CITY STATS

TOKYO WOES

Are Tokyo's days of impeccable quality and service over? The Consumers' Center in Tokyo reported over twice as many complaints in 1985 as in 1981.
(Number of "counseling cases" at the Consumers' Center in Tokyo, 1979–1985)



Source: 2nd Long-Term Plan for the Tokyo Metropolis, *Tokyo Metropolitan Government Municipal Library Series, International Communication Division, Tokyo, 1987, p. 176.*

and over are actively involved in taking care of other seniors, rather than relying on younger family members.

Money is their first aid. More than half of Canadian seniors give money to other seniors. Baby-sitting, transportation, and volunteer work also are popular forms of assistance, with 23 percent, 22 percent, and 16 percent of seniors performing those functions, respectively. Only 12 percent of Canadians aged 55 and over offer housework help to their fellow seniors, and only 5 percent offer assistance with personal care.

Participation rates differ by age group. Canada's youngest seniors—those aged 55 to 64—provide most of the transportation for others; few 80-to-98-year-olds are able to meet that need.

Age is also a factor in baby-sitting, but not when it comes to donating money. There, education shapes giving patterns. More than three-quarters of Canadian seniors with a postsecondary degree gave money to other seniors, while only half of those with some secondary education did.

For more information about Canadian senior care, write to Statistics Canada, Communications, Tunneys Pasture, 3-0, R.H. Coats Building, Ottawa, Ontario, K1A 0T6.

INTERNATIONAL DEMO MEMO

Pairs of throwaway chopsticks Japanese use per year:

12 billion

(that's enough wood to build about 12,000 Japanese homes)

Source: Third World Compass News Features, *Luxembourg.*

ASIA/PACIFIC

By 2000, Tokyo's daytime population will reach 14.8 million people. Fifteen percent of them will be aged 65 or over, and collectively they will create 5.32 million tons of garbage. These and other little-known facts are part of the Tokyo Municipal Government's *2nd Long-Term Plan for the Tokyo Metropolis.*

Of a projected 5 million Tokyo households, 3.6 million will be part of Tokyo's central wards; 1.4 million will be part of outlying cities and towns. Each household will have 2.5 people on average, compared to 2.9 in 1970.

In preparing for such a heavily populated city, planners have published detailed projections concerning the Tokyo metropolitan area over the next 15 years. Per capita income, they estimate, will grow 6 percent a year between 1991 and 1995, and then by 5.6 percent a year between 1996 and 2000. Meanwhile, consumer prices will increase by 3.2 percent and 2.9 percent a year, respectively.

For more information on Tokyo's population, environment, or economy, write the Tokyo Metropolitan Government, International Communications Division, Bureau of Citizens and Cultural Affairs, 5-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo, Japan.

Japan's New Consumers

You can find out more about Japanese lifestyles, attitudes, demographic characteristics, spending patterns, and buying behavior in ***Japan's New Consumers,*** *a two-part special report written by experts from the Center for International Research of the U.S. Census Bureau and the editors of* Consumer Markets Abroad.

A hardbound book with over 100 charts and tables, ***Japan's New Consumers*** *clearly describes how and why the Japanese spend their earnings on consumer goods and services.*

Japan's New Consumers *also looks at the Japanese business climate, which is characterized by heated competition among manufacturers who produce high-quality, low-priced goods for consumers who have been described as the fussiest in the world. You will learn exclusive details of what the Japanese look for in terms of design, service, personal contact, packaging, and credit, and their attitudes toward imports.*

To order ***Japan's New Consumers,*** ***fill out and return the card in this issue, or call 1-800-828-1133 for faster service. Be sure to have your credit card handy.***

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PUBLICATIONS

Women and Recession, edited by Jill Rubery, Routledge, Chapman and Hall, 29 West 35th St., New York, NY 10001, cloth: $49.95, paper: $19.95.

When times are hard, who gets the pink slip? Economists who believe in the "buffer" theory of labor say that women are the first to go during a recession. "Substitution" theorists say that women are the first to come onboard during leaner days because they are "cheaper" to hire. "Segregationalists" claim none of that matters: there are men's jobs and there are women's jobs. Even with changing technology, workers are divided along gender lines. Editor Jill Rubery asks: Who's right?

All three, say the experts in *Women and Recession.* In fact, they work in tandem: each theory's relative strength depends on a nation's history and culture.

In Italy, for example, there have been jobs that women do and jobs that they don't. While their participation in the labor force is relatively low (23 percent in 1981), they are largely left out of the manufacturing sector. That meant a certain safety from massive unemployment in the 1970s. But now that service jobs are growing, they are more vulnerable to economic downturns. Italian women have become a growing part of that sector.

Traditionally, French women have been used as a labor "reserve," claim French contributing authors Patricia Bouillaguet-Bernard and Annie Gauvin. During the lean 1970s, their jobs rapidly became "redundant." But in the 1980s, their flexibility has become a definite asset in the changing workplace.

In 1984, 21 percent of French women, or 1.8 million people, worked part-time. Overall, part-timers increased by 58 percent between 1978 and 1984. "The increasing use of female labour by firms and the continuously increasing importance of women in the productive system can be explained . . . by the ability of female labour to adapt better to the present needs of the firm."

—*Blayne Cutler*

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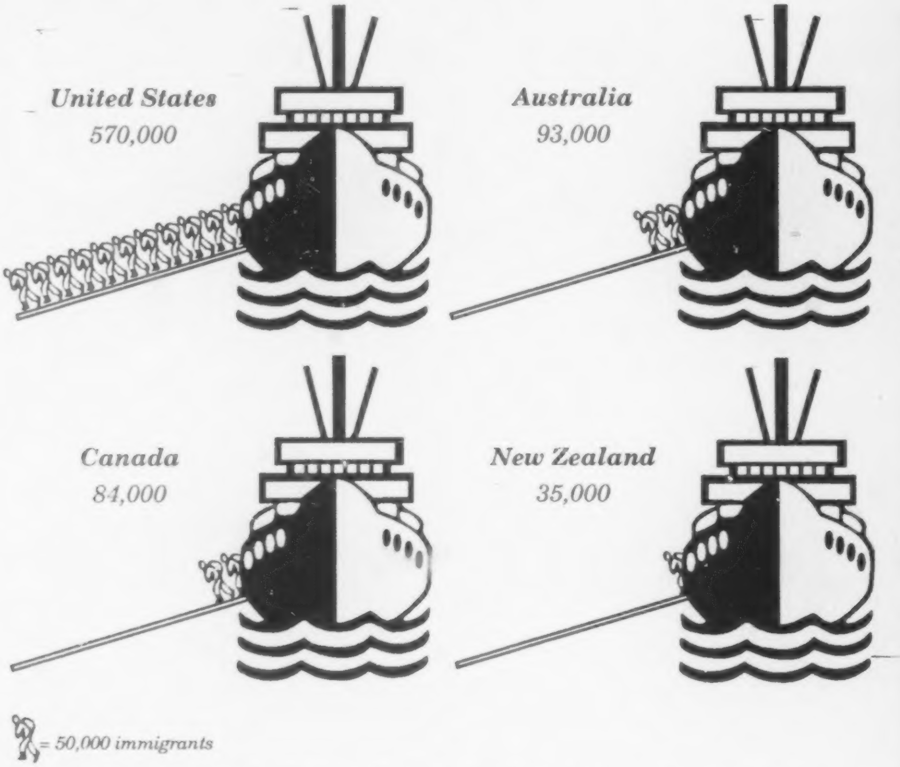
MIGRANTS ON THE MOVE

SAFE HARBORS

Four countries receive the bulk of international migrants.
(Number of immigrants to selected countries, 1985)



Sources: *Embassy of Australia;* Demographic Trends 1987, *Department of Statistics, New Zealand;* Canada Yearbook 1988, *Statistics Canada;* Statistical Abstract of the United States 1988, *U.S. Department of Commerce.*

Is north-south migration good for the world economy?

LIFESTYLES AROUND THE WORLD

Nature has a way of balancing extremes. Today, many wealthy nations face an extreme shortage of workers while many poor nations face an extreme threat of overpopulation. Is migration the natural balance to the world's lopsided demographics?

With growing links in the world economy, migration benefits both accepter and sender nations. Skilled migrants bring economic vitality to their new countries. While their departures lead to brain drains at home, they often ease severe domestic employment problems.

(continued on page 11)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 11 NOVEMBER 1988

TURKEY: EUROPE'S ASIAN LINK

As Europe's gateway to Asia, Turkey has become a promising new market.

IN DEPTH

In July 1988, Turkey opened the second bridge across the Bosporus, the strait that connects Europe to Asia. A couple of miles away, the first bridge—built only a few years ago—has already paid for itself in toll money.

The Bosporus bridges have become symbols of Turkey's new emphasis on free markets and its attempt to integrate its economy with that of the Western world.

Turkey's GNP grew 6.7 percent a year between 1984 and 1987, considerably higher than in other Organization for Economic Cooperation and Development (OECD) countries. Agricultural output grew 4 percent, industry grew 9 percent, and services grew about 6 percent a year during

TURK COUNT

Turkey's population will double by 2025.
(Population of Turkish provinces, 1985, and average annual rate of growth, in percent, 1980–1985)

		Population 1985	Average annual rate of growth 1980–85
	Total	**50,664,458**	5.0%
1.	Edirne	389,638	2.8
2.	Kirklareli	297,098	1.9
3.	Tekirdağ	402,721	4.4
4.	Istanbul	5,842,985	8.4
5.	Çanakkale	417,121	2.5
6.	Balikesir	910,282	2.6
7.	Izmir	2,317,829	6.4
8.	Manisa	1,050,130	4.3
9.	Aydin	743,419	5.2
10.	Muğla	486,290	4.2
11.	Denizli	667,478	4.0
12.	Usak	271,261	3.7
13.	Kütahya	543,384	3.6
14.	Bursa	1,324,015	5.7
15.	Bilecik	160,909	3.6
16.	Kocaeli	742,245	8.7
17.	Sakarya	610,500	4.3
18.	Bolu	504,778	2.7
19.	Eskisehir	597,397	3.7
20.	Afyonkarahisar	666,978	4.4
21.	Isparta	382,844	3.6
22.	Burdur	248,002	2.2
23.	Antalya	891,149	7.0
24.	Konya	1,769,050	5.0
25.	Ankara	3,306,327	5.9
26.	Cankiri	263,964	0.6
27.	Zonguldak	1,044,945	3.6
28.	Kastamonu	450,353	0.0
29.	Sinop	280,140	0.5
30.	Çorum	599,204	2.0
31.	Yozgat	545,301	3.1
32.	Kirsehir	260,156	3.1
33.	Nevsehir	278,129	3.2
34.	Niğde	560,386	3.6
35.	Içel	1,034,085	8.1%
36.	Adana	1,725,940	6.0
37.	Hatay	1,002,252	6.3
38.	Gaziantep	966,490	7.1
39.	Kahraman Maras	840,472	5.2
40.	Kayseri	864,060	4.2
41.	Sivas	772,209	1.2
42.	Tokat	679,071	3.3
43.	Amasya	358,289	1.9
44.	Samsun	1,108,710	3.8
45.	Ordu	763,857	2.7
46.	Giresun	502,151	1.8
47.	Trabzon	786,194	2.9
48.	Gümüshane	283,753	1.2
49.	Erzincan	299,985	2.4
50.	Tunceli	151,906	–1.6
51.	Malatya	665,809	3.7
52.	Elaziğ	483,715	3.7
53.	Adiyaman	430,728	6.3
54.	Sanli Urfa	795,034	11.1
55.	Mardin	652,069	5.7
56.	Diyarbakir	934,505	7.3
57.	Bingöl	241,548	2.2
58.	Erzurum	856,175	2.6
59.	Rize	374,206	1.4
60.	Artvin	226,338	–0.5
61.	Kars	722,431	1.2
62.	Ağri	421,131	5.4
63.	Mus	339,492	4.6
64.	Bitlis	300,843	6.2
65.	Siirt	524,741	6.5
66.	Hakkari	182,645	6.4
67.	Van	547,216	6.2

Source: Census of Population by Administrative Division: 20.10.1985, *Prime Ministry State Institute of Statistics, Ankara, 1986.*

Consumer markets abroad

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the past three years. But a dangerously high inflation rate—about 50 percent—threatens that growth.

Turkey is about twice the size of California in area—more than 779,000 square kilometers. Although 97 percent of its land is in Asia, the country is considered part of the Middle East. Istanbul, the largest metropolitan area, lies on both sides of the Bosporus, straddling Europe and Asia.

DOUBLING FAST

The number of Turks has doubled twice since the first census was taken, in 1927. The population has grown from 13.5 million then to more than 50 million in 1985, the year of the last census. Today there are about 54 million Turks. The population will nearly double again by 2025, according to the UN, which projects about 92 million Turks by then.

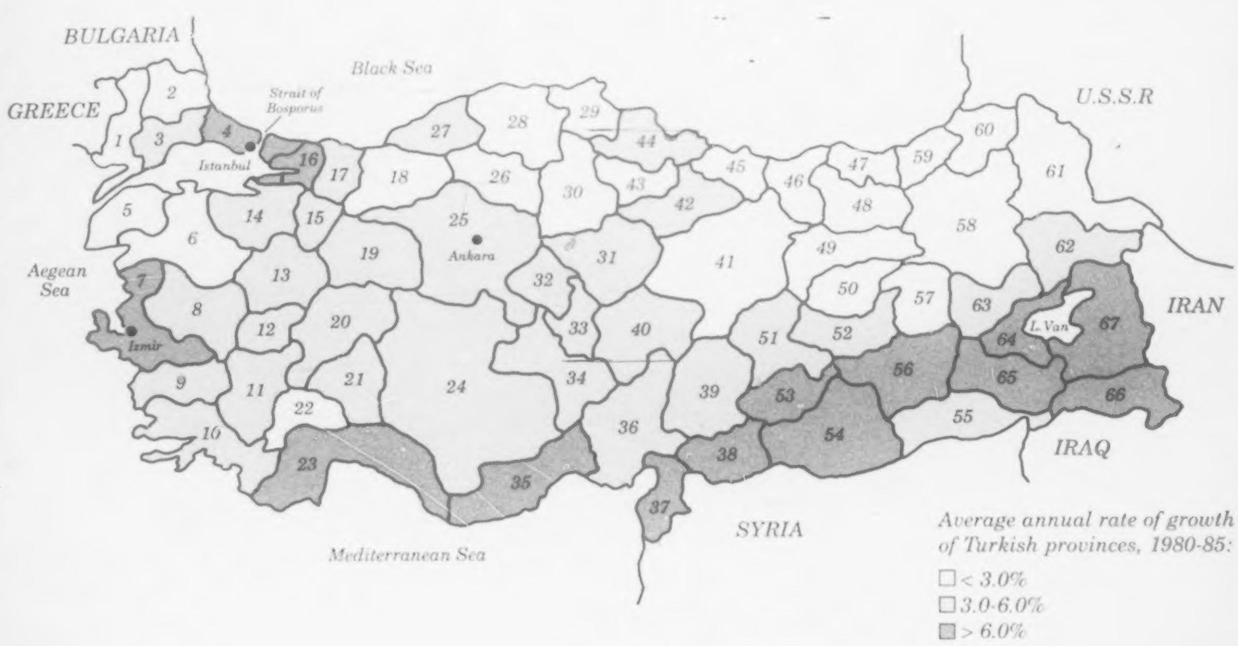
Administratively, Turkey is divided into 67 provinces (or *il*), and each province is broken down into about ten districts (*ilce*). Eleven provinces now have more than 1 million people. These include Istanbul (5.8 million), Ankara (3.3 million), and Izmir (2.3 million). Istanbul, which had only 1.5 million people in 1955, continues to be Turkey's fastest-growing province, increasing by 4.2 percent a year.

Geographically, Turkey is divided into eight regions: Thrace, the Black Sea Coast, Marmara and the Aegean

Note: The 1986 exchange rate is used in this profile, when 750 Turkish lira equaled US$1.

MEDITERRANEAN GEOGRAPHY

Turkey's southern "Mediterranean" provinces are growing the fastest.
(Turkish provinces by average annual rate of population growth, in percent, 1980–1985)


BULGARIA
GREECE
Black Sea
Strait of Bosporus
Istanbul
Ankara
Izmir
Aegean Sea
U.S.S.R
IRAN
IRAQ
SYRIA
L. Van
Mediterranean Sea
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67
Average annual rate of growth of Turkish provinces, 1980-85:
☐ < 3.0%
☐ 3.0-6.0%
▨ > 6.0%

Source: Statistical Yearbook of Turkey 1987, *Prime Ministry State Institute of Statistics, Ankara, 1988.*

Coast, the Mediterranean Coast, West Anatolia, Central Anatolia, South East Anatolia, and East Anatolia. Thrace is the most urban region, while East Anatolia is the most rural.

The South East Anatolia region has grown the fastest between 1980 and 1985, at 4 percent annually. The Black Sea Coast region only grew 1.3 percent a year. In all eight regions, urban growth is at least three times higher than rural growth.

Turkey is fast becoming an urban nation. More than half of all Turks lived in urban areas in 1985, and that share will rise to about 70 percent by 2025. Population density has increased from 18 people per square kilometer in 1927 to 65 people per square kilometer in 1985.

In addition to the three largest metropolitan areas (Istanbul, Ankara, and Izmir), Adana has 776,000 people, and Bursa has 613,000 people. Turkey's metropolitan areas are growing faster than the provinces as a whole. Provinces are growing by 2.5 percent annually, while provincial centers are growing more than 4 percent a year.

YOUNG TURKS

Although Turkish parents are beginning to have fewer children, the country's population is still young. More than one-third of all Turks are

PROVINCIAL RANKINGS

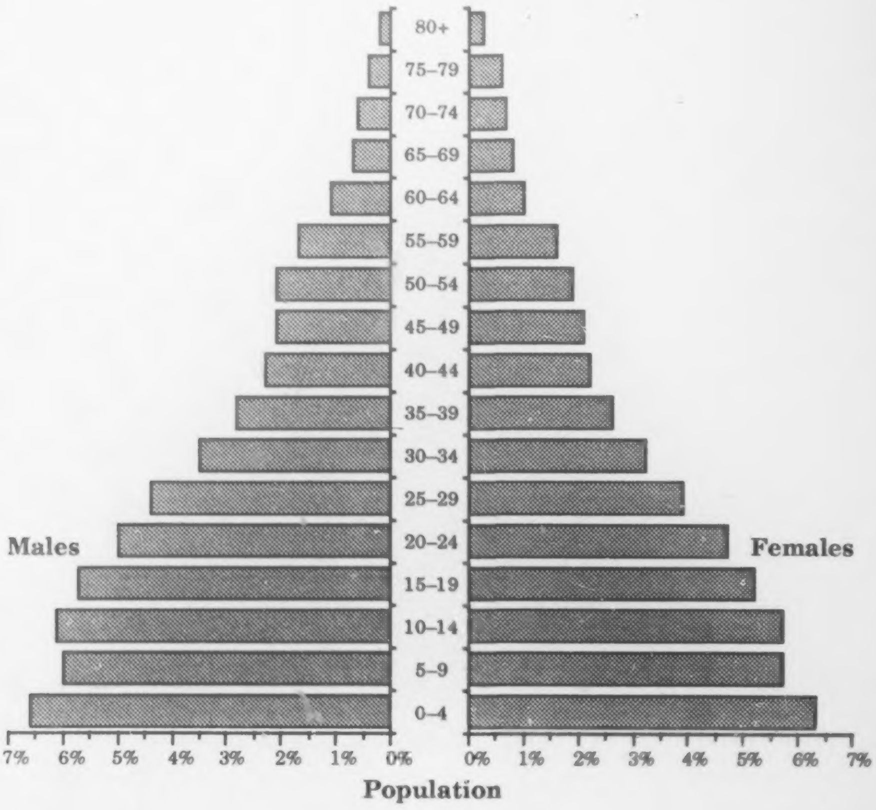
Eleven of Turkey's 67 provinces have more than one million residents. (Provinces with over one million residents, Turkey, 1985)

Province	*Population*
Istanbul	5,842,985
Ankara	3,306,327
İzmir	2,317,829
Konya	1,769,050
Adana	1,725,940
Bursa	1,324,015
Samsun	1,108,710
Manisa	1,050,130
Zonguldak	1,044,945
İçel	1,034,085
Hatay	1,002,252

Source: The Turkish Economy 1988, *Turkish Industrialists' and Businessmen's Association (TÜSIAD), Istanbul, 1988.*

AGE REPORT

Turkey's population is young: more than one-third of all Turks are aged 14 or younger. (Turkish population by age and sex, in percent, 1985)



Source: Census of Population by Administrative Division: 20.10.1985, *Prime Ministry State Institute of Statistics, Ankara, 1986.*

aged 14 or younger. That's almost twice the proportion in other European countries. More than half (56 percent) of the population is aged 15 to 64. The relative share of Turks aged 65 and older remains consistently low, at about 4 percent of the total population.

With such a young population, Turkey needs to create 300,000 new jobs a year. Unemployment is a major problem, partially solved through emigration. Until 1974, Turkey sent about 60,000 workers a year to Western Europe, mostly to West Germany. Since then, emigration has dwindled to about 20,000 workers a year. Most of these new emigrants stay in Middle Eastern countries or go to Africa.

HEALTH AND EDUCATION

When the Turkish Republic began, in 1923, Kemal Atatürk replaced Islamic law with a Swiss legal code, split church and state roles, abolished polygyny, and gave women equality with men. Women were allowed to own or inherit property, to vote, and to be elected to Parliament.

In addition, Atatürk instituted compulsory primary education for both boys and girls. Today, free education extends to the university level. All of these early reforms explain why the share of practicing female lawyers and physicians in Turkey is as high as in the United States.

But education still lags behind that of other European countries, especially in rural areas. The nation's literacy rate has gone from 67 percent of the population aged 6 and over in 1980 to about 85 percent today. About 27 percent of all literate Turks have never finished primary school, and only 3.5 percent are university graduates.

Educational programs tend to be concentrated in urban areas. But throughout the country, they cannot cope with the doubling of the population every 40 years.

Women still lag behind men in some areas, and the extent of a child's education is influenced by his or her social class. In general, the difference between the education that boys and girls receive increases as the socioeconomic status of the family declines.

Turks are living longer. Life expectancy has grown from 38.1 years between 1945 and 1950 to 58.9 years between 1970 and 1975. The State

HOLY MATRIMONY

Ninety-nine percent of Turkish brides marry Muslim grooms.
(Marriages by religion of groom, Turkey, 1982)

Religion of groom	*Number of marriages*
Total	**168,358**
Muslim	**167,462**
Christian	739
Gregorian	228
Orthodox	91
Catholic	87
Protestant	40
Other	293
Jewish	136
Other religions	9
Atheist	6
Unknown	6

Source: Marriage Statistics 1982, *Prime Ministry State Institute of Statistics, Turkey, 1988.*

WHERE THEY WORK

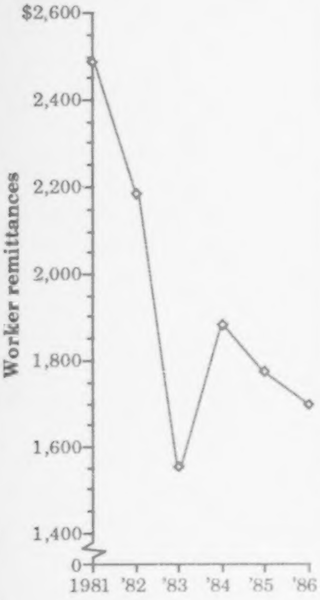
Most Turks are farmers, but the number of service and industrial workers is growing fast.
(Employment in Turkey, in thousands, 1986, and annual percent change, 1985–86)

	Employment (thousands) 1986	*Percent change 1985–86*
Civilian labor force	18,512	1.3%
Employed workers	15,632	2.1
Agriculture	8,712	–0.1
Industry and construction	2,822	5.5
Services	4,098	5.4
Unemployment	2,880	15.5
Excluding seasonally unemployed in agriculture	2,228	12.0

Source: Main Economic Indicators, *State Planning Organization, Turkey, in* OECD Economic Surveys: Turkey, *OECD, June 1987, p. 11.*

TUMBLING TRANSFERS

Turkish families used to rely on remittances sent from relatives working abroad. They can't anymore.
(Worker remittances per month, in million US$, Turkey, 1981–86)



Source: Monthly Statistics, *Central Bank of Turkey, in* OECD Economic Surveys: Turkey, *OECD, June 1987, p. 84.*

Planning Organization estimates life expectancy in 1980–85 to be 60.6 years for men and 65.5 years for women.

HOUSEHOLD NEEDS

Unlike American families, most Turkish families live in nuclear households. These consist of a husband, wife, and unmarried children. Three major national surveys in the last 20 years point to an increase in nuclear families—from 60 percent in 1968 to 63 percent in 1978 and 68 percent in 1988.

But the relative share of nuclear households differs by province. Traditional families are most common in eastern Turkey. In the major metropolitan areas of Istanbul, Ankara, and Izmir, over two-thirds of families are nuclear, and patriarchal extended families make up only 5 percent of all households.

Turkey's average household size was 5.1 in 1986, according to a national survey conducted by the Turkish Industrialists' and Businessmen's Association (TÜSIAD). Households were smaller in urban areas (4.2 people) than in rural areas (5.8 people). Rural households can be very large: more than 1 in 10 rural households had at least 10 members, while fewer than 1 in 50 urban households had that many people.

TURKISH SPENDING HABITS

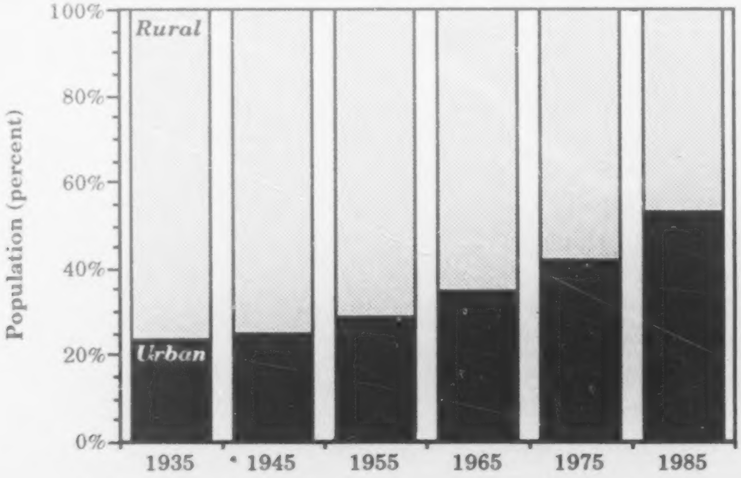
Turks are entrepreneurs. Only one-third of Turkish laborers work for wages; the rest are self-employed, according to the TÜSIAD survey. Excluding children, 17 percent of all household members are unemployed and 64 percent of the unemployed are women.

Turks made US$2,026 on average in 1985. Payment of in-kind transfers added about 16 percent to their income. But even with these transfers, income figures are thought to be slightly underreported.

Istanbul is the wealthiest region. Turks there received a mean income of US$3,335 in 1985, and they spend more than people in any other province. Rural Turks only received a

URBAN FUTURE

Every other Turk now lives in an urban area.
By the end of the century, two in three Turks will live there.
(Population by rural/urban residence, in percent, Turkey, 1935–1985)



Source: Census of Population by Administrative Division: 20.10.1985, *Prime Ministry State Institute of Statistics, Ankara, 1986.*

mean income of US$1,735. Education and income are closely linked. Mean income for households whose household head had no diploma was only US$1,283, but income rose to US$4,133 for households whose head was a university graduate.

Half of all Turkish households receive more than one kind of income. About 9 percent receive income from rents, and only 3 percent receive income from interest.

Wealth is unevenly divided throughout the country. The wealthiest 20 percent of Turkish households had 56 percent of the total income in 1985, while the poorest 20 percent had only 4 percent. That means the richest fifth of Turkey's population has about 15 times the income of the poorest fifth—a relationship that hasn't changed much since 1973.

Merchants and industrialists report that they are most content with their economic situation: 55 percent of these household heads expect their situation to improve in the next five years. Private-sector employees and professionals are nearly as optimistic.

Turks who work for themselves not only have the highest incomes but also spend the most. Merchants and industrialists spend more on education, while rural households spend more on health. All Turks spend at least half of their disposable income on food and clothing.

Nearly two-thirds of all Turks in urban areas own their own homes, while fully 90 percent of those in rural areas are homeowners. Turks use different methods to buy their homes than Americans. Fully 82 percent did not use any institutional form of credit, and only 2 percent bought their homes through housing cooperatives. One-third of homeowners used personal loans from family and friends.

Only 17 percent of Turkish homes have Western-type bathrooms; 86 percent had traditional bathrooms

TURKISH TREATS

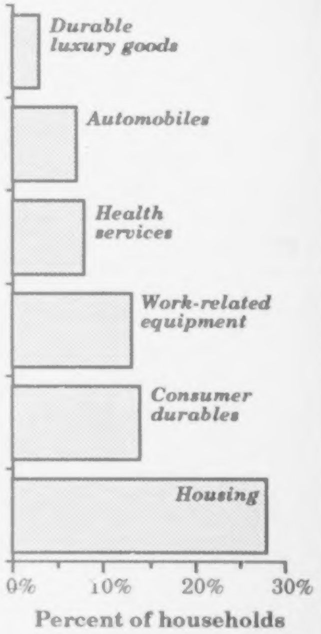
VCRs are popular in Istanbul and Ankara; they are almost non-existent in rural areas. (Household ownership of consumer durables in Turkey, by selected cities and rural areas, in percent, 1987)

Product	*Turkey*	*Istanbul*	*Ankara*	*Izmir*	*Rural*
Refrigerator	77%	96%	97%	96%	64%
Radio	73	79	88	67	71
Black & white TV	60	56	60	63	59
Sewing machine	57	61	64	65	52
Tape recorder	46	51	60	54	41
Kitchen range	33	61	62	55	18
Washing machine	32	75	71	55	11
Color TV	26	58	56	48	11
Vacuum cleaner	24	62	55	46	6
Telephone	15	35	33	21	6
Automobile	11	21	19	13	7
Hi-fi set	6	21	12	11	3
VCR	5	16	16	11	1
Dishwasher	1	4	2	1	0
Home computer	1	3	5	1	0

Source: The Socio-Economic Situation and Outlook of the Turkish Household, *TÜSIAD, Istanbul, 1987.*

WISH LIST

Most Turkish household heads say they want better housing, consumer durables, or work-related equipment. (Item most needed by Turkish households, in percent of all surveyed households, Turkey, 1987)



Source: The Socio-Economic Situation and Outlook of the Turkish Household, *TÜSIAD, Istanbul, 1987.*

(some have both). Four-fifths of all homes have a separate kitchen, and 69 percent have running water.

Kitchen appliances such as refrigerators, ranges, washing machines, and vacuum cleaners have become common in Turkish homes. Electronic equipment is growing in popularity: three-fourths of all households have radios, 60 percent have black-and-white TVs, 26 percent have color TVs, and almost half have a tape recorder.

As many as 16 percent of Istanbul households have a VCR, while 5 percent of all the nation's households own one. Home computers, however, have barely made their entrance into metropolitan households. About one-fifth of Istanbul and Ankara households have cars, and one-third have telephones; both are still relatively rare in rural areas.

When asked about their most important household need, 28 percent of Turkish household heads mentioned housing, 14 percent wanted durable consumer goods, and 13 percent needed work-related equipment such as tractors. Another 8 percent needed health services, 7 percent wanted cars, and 3 percent mentioned durable luxury goods such as TV sets.

If they had more money, most household heads would put it toward daily expenses of food and clothing, or use it to expand a business.

FOREIGN TRADE

Since the Turkish government has moved closer to Europe and Western free markets, the volume of both imports and exports has steadily increased. Imports increased 26 percent in 1987, to US$14 billion worth of goods and services. Exports increased 37 percent, to US$10 billion.

During 1987, 2.9 million tourists visited Turkey. The country's net revenue from tourism and travel grew 61 percent in 1987, surpassing US$1 billion. Most tourists came from Germany, followed by Yugoslavia and the United Kingdom. More than 130,000 visitors were U.S. citizens. Tourists spent an average of US$563 a person.

—Marsel A. Heisel
Rutgers University

FRUITS OF FARMWORK

Turkey's biggest exports are agricultural.
(Turkey's top 10 exports, as a percent of total exports and US dollar value, in million US$, 1987)

Export	*Share of total exports*	*Value (million US$)*
1. Textiles	28.1%	$2,861
2. Hazelnuts	3.8	390
3. Leather garments	6.4	654
4. Tobacco	3.1	314
5. Pulses	2.3	234
6. Livestock	2.4	244
7. Vegetables	0.9	96
8. Raisins	1.1	108
9. Meat	0.6	59
10. Oranges	0.6	61

Source: The Turkish Economy 1988, *TÜSIAD, Istanbul, 1988.*

TRADE TRENDS

As Turkey pursues a path of free markets, the country's trade volume is growing.
(Volume of total trade, exports, and imports, in million US$, Turkey, 1977–1987)

Year	*Volume of trade*	*Exports (FOB)*	*Imports (CIF)*
1977	$7,549	$1,753	$5,796
1978	6,887	2,288	4,599
1979	7,330	2,261	5,069
1980	10,819	2,910	7,909
1981	13,636	4,703	8,933
1982	14,589	5,746	8,843
1983	14,963	5,728	9,235
1984	17,891	7,134	10,757
1985	19,302	7,958	11,344
1986	18,562	7,457	11,105
1987	24,353	10,190	14,163

Source: The Turkish Economy 1988, *TÜSIAD, Istanbul, 1988.*

(*Migrants on the move*, continued from page 3)

Currently, there are between 20 and 22 million "economically active migrants" around the world, according to the International Labour Office. These are legal nonrefugee workers who establish residency in another country.

Most migrants today are Asian or Latin American, not European. That's a drastic change from the end of the last century. Today, "north-south migrants" flow from Asia, Africa, and Latin America to four major destinations: the United States, Canada, Australia, and New Zealand.

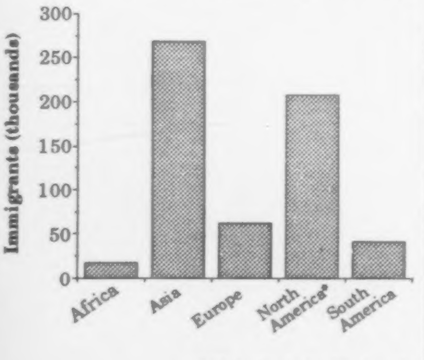
By far the United States takes in the largest number of legal immigrants annually—600,000 a year. Australia admits about 93,000 a year, Canada admits 84,000, and New Zealand admits 35,000.

These four countries have built their economies on open immigration. But when the prospect of unemployment rises at home, they begin to close their doors. New Zealand allows 11,000 fewer entrants today than in 1982, while Canada allows 37,000 fewer entrants.

Despite a new immigration law, the United States took in more people in the 1980s than at any time since the first decade of this century. Four million legal immigrants between 1980 and 1986 and about 3.5 million illegal immigrants in 1987 alone threaten to surpass an all-time peak of 8.8 million migrants registered between 1901 and 1910.

OFF A NEW BOAT

Most American immigrants today are Asian, not European. (U.S. immigration, by previous residence of immigrant, 1986)



** Note: Includes Mexico, the Caribbean, and Central America.*
Source: U.S. Department of Commerce, 1988.

Asians account for about 45 percent of all U.S. immigrants, while Europeans account for only 17 percent. Mexico, the Philippines, and Korea send the most people, followed by Cuba, Vietnam, and India.

Today's immigrants bring a different employment background than their mostly European predecessors. In 1911, fewer than 2 percent of all entrants claimed to be technicians or managers; by 1986, the proportion had swelled to 32 percent.

Some 218,000 immigrants entered Canada in 1974. After the government recommended a limit of 100,000 entrants, immigration fell to 84,000 in 1985. Today, about 15 percent of Canada's population is foreign-born.

Australia traditionally drew migrants from the British Commonwealth (the U.K. and its former colonies), but most new settlers now come from Asia and Oceania. About 20 percent of Australia's population is foreign-born.

Some poor countries explicitly encourage emigration. Pakistan, South Korea, and Turkey, for example, send workers abroad so that they can collect remittances. These remittances boost national income and bring in much-needed foreign currency. In 1983, there were over 1 million Turkish workers abroad, 53 percent of them in West Germany.

An opening of global immigration policy can ease demographic imbalances, skills transfers, and economic development. In fact, an increasingly interdependent world market may require it.

—Stephen Karel
East-West Center
Honolulu, Hawaii

BORDER CROSSING

Geography helps more Mexicans enter the United States than any other group. (Immigrants to the U.S., by country of origin, 1986)

Country of origin	*Number*
Mexico	66,500
Philippines	52,600
Korea	35,800
Cuba	33,100
Vietnam	30,000
India	26,200
Dominican Republic	26,200
China (PRC)	25,100

Source: U.S. Department of Commerce, 1988.

DISCOVER: EAST ANGLIA, U.K.

Developers are doing to East Anglia what they have done to London's docklands.

London's docklands look like movie studio backlots. Cranes swing back and forth as construction workers stake out land for modern buildings; new-age office complexes go up alongside rustic-looking town houses; homes built for investment cluster along the waterfront—some reaching out over the water on pylons. Even through a gray English drizzle, the view is one of prosperity.

Little more than three years ago, a visitor to these docks would have seen decaying warehouses and vacant lots overgrown with weeds. Attracting "upmarket" business to the docklands in the midst of England's five-year economic boom was a renovation risk that paid off handsomely for investors.

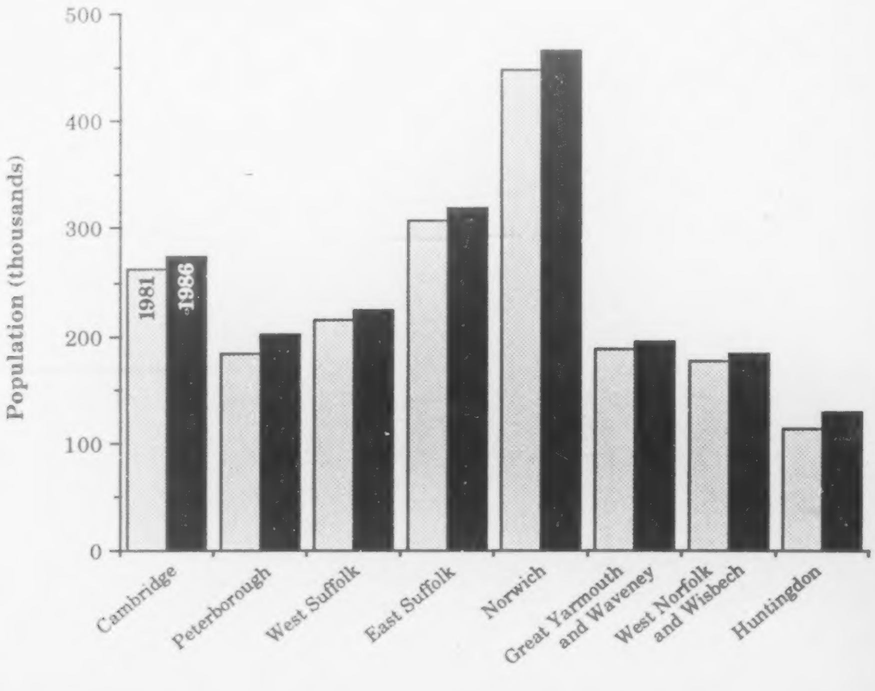
But England's building boom is not restricted to London's docks. East Anglia, a region of 2 million people just to the north of London, now bustles with the dockland prosperity of the south. That's new for a region known for joblessness and stagnation.

East Anglia's population gained nearly 97,000 people between 1981 and 1986. Fully 90 percent of that growth came from migration—a sign that new jobs are plentiful and commercial activity is growing.

Norwich, the region's largest district, had 449,000 people in 1981. It gained 20,200 through migration by 1986. Peterborough, a district with 183,000 in 1981, gained 13,800 people by 1986. And more than 12,000 people moved to Huntingdon in 1986, bringing that district's total

HOW MANY EAST ANGLIANS?

All of East Anglia's districts are growing.
(East Anglia population by district, in thousands, 1981 and 1986)



Source: OPCS Monitor, *Office of Population Censuses and Surveys, Government Statistical Service, June 1987, p. 12.*

population to 129,800.

In only three regions throughout England is the population growing faster than 0.5 percent annually. These regions are East Anglia, South West, and the section of South East that excludes Greater London. These are also the regions of England with the fastest economic growth.

BUILDING ON WHEAT

Housing prices in East Anglia have risen 49 percent over the past year —even higher than the 38 percent rise in South East (including London). Residents of small villages, once comfortably isolated from urban activity, now watch wheat fields being plowed under for more office space.

As migration grows in England's nonmetropolitan counties, wheat fields will be harder and harder to find. Of the 652,000 people added to England's nonmetropolitan counties between 1981 and 1986, 536,000—or 82 percent—moved there from other parts of the country. Where are they coming from? Metropolitan counties—which lost 263,000 people between 1981 and 1986.

Not everyone views these changes with enthusiasm. Prices may please existing homeowners, but salaried newcomers have trouble finding affordable housing. Employers hope that the situation will be more controlled than in London, where extra living allowances for the average worker can amount to US$2,460 a year, and as much as US$4,920 for bankers.

Even as the economy thrives under Margaret Thatcher's government, unemployment still hovers around 10 percent. That rate is even higher for young people.

Are the good times for real? Few can tell you where the money is coming from, but most agree that pound notes are circulating thick and fast from London's docks up to East Anglian farming villages.

—Priscilla Abbott

MOVING IN

***Most of the growth in East Anglia's districts comes from migration.** (Annual percent change of East Anglia districts, 1981–86)*

District	*Annual percent change*
Total East Anglia	1.02%
Cambridge	0.76
Peterborough	1.94
West Suffolk	1.02
East Suffolk	0.70
Norwich	0.76
Great Yarmouth and Waveney	0.70
West Norfolk and Wisbech	0.94
Huntingdon	2.76

***Source:** OPCS Monitor, Office of Population Censuses and Surveys, Government Statistical Service, June 1987, p. 12.*

FROM CITY TO COUNTRY

British are moving from metropolitan to nonmetropolitan counties. Nearly 90,000 people moved to East Anglia between 1981 and 1986. (Population, population change 1981–1986, and population change due to migration, 1981–1986, by region, in thousands, England, 1986)

County	*Population (thousands) 1986*	*Population change (thousands) 1981–86*	*Population change due to migration (thousands) 1981–86*
England	47,255	434	155
Metropolitan counties	11,166	–187	–263
Nonmetropolitan counties	29,313	652	536
East Midlands	3,920	67	40
East Anglia	1,992	97	87
South East	17,265	254	98
Greater London	6,775	–31	–118
Remainder of South East	10,489	285	216
South West	4,543	162	181
West Midlands	5,181	–5	–62
North	3,080	–37	–43
Yorkshire and Humberside	4,899	–19	–36
North West	6,374	–85	–109

***Source:** OPCS Monitor, Office of Population Censuses and Surveys, Government Statistical Service, June 1987, p. 4.*

WORLD RHYTHMS

Iron Maiden is a Japanese hit. Whitney Houston is a British favorite. Get ready to rock around the time zones.

PRODUCT COMPARISON

Ever since Chuck Berry asked Maybelline, "Why can't you be true?" rock music has been dominated by English-language acts. Rock continues to sell best in English-speaking regions of the world: the United Kingdom, Northern Europe, and especially the melting pot of pop, rap, hardcore punk, and head-banging heavy metal—the United States.

After years of flat unit sales, rock marketers hope to extend their reaches beyond the West. But their two newest targets—the Soviet Union and China—won't be easily cracked.

"If the Soviet market ever opens up, it will be a major opportunity—all the kids have been starved for this stuff," says Steve Pritchitt, PolyGram's vice president for international promotions. China's young population also is poised for new music. More than half of the country's one billion people are under age 30.

The market for rock music in Eastern Europe and Asia depends upon increasing cultural openness. In the past, both the Soviet Union and China have taken a dim view of Western rock's emphasis on rebellion and sexual freedom.

TROUBLE ON THE HIGH SEAS

Legitimate markets for rock music are springing up in countries that once thrived on huge pirate markets—countries like Greece, Turkey, Indonesia, Malaysia, and Taiwan.

Faced with the prospect of severe fines or jail terms, pirates in those countries shut down large tape factories, leaving lucrative room for those who respect copyrights and royalties. Pirates once ran Turkey's only pressing plant and claimed 90 percent of the cassette market; stiff penalties knocked that share down to 30 percent by late last year.

Although Nigeria is currently plagued by rock pirates, *Billboard* magazine recently gave it the potential to become one of the world's top ten markets for pre-recorded music.

Because the fight for overseas rock markets is so fierce, record companies zealously guard their sales figures. That makes the size of the international rock music industry hard to pin down accurately, although one PolyGram report esti-

TURN ON AND TUNE IN

Europeans keep up with the latest trends in stereo equipment. CD players are gaining popularity.
(Sales of stereo equipment, by country, in thousands of units, 1984)

Country	*Personal stereos*	*Radio/ recorders*	*Cassette decks*	*CD players*
Austria	150	280	70	15
Belgium	170	330	63	16
Denmark	160	320	115	6
Finland	100	180	98	10
France	1,110	99	850	25
Netherlands	400	680	100	30
Norway	60	170	75	12
Sweden	425	495	130	17
United Kingdom	1,210	114	370	20
West Germany	1,450	2,800	700	75

Source: International Marketing Data and Statistics 1986/87, *Euromonitor Publications*, European Marketing Data and Statistics 1986/87, *Euromonitor Publications, p. 21.*

mated worldwide unit sales at US$1.6 billion between 1980 and 1985. Although unit sales have dropped slightly since then, dollar sales have increased, thanks to CDs.

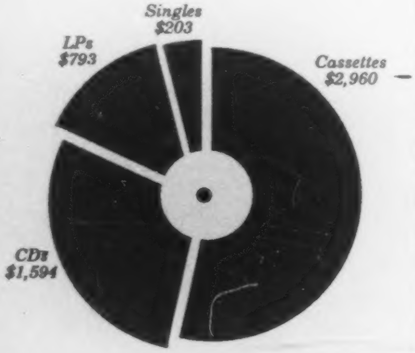
Already, the CD is becoming standard in many countries: an estimated 16 percent of Japanese homes and 18 percent of Dutch households own a disc player. Eastern Europe's first CD plant opened in Czechoslovakia last May. Music-industry executives predict that the traditional vinyl record soon will be obsolete.

Of the 1.62 billion long-playing recordings sold worldwide in 1985, 48 percent were cassettes, 40 percent were vinyl albums, and a meager 4 percent were CDs. Today it is estimated that CDs and cassettes each account for more than one-third of total unit sales, while the rest goes to vinyl.

Rock tastes vary from country to country. It's best to sell Iron Maiden in Japan and Whitney Houston in the U.K. That's because the Japanese like heavy metal and obscure oldies; Germans like hard rock; Austrians listen to movie soundtracks; and the Dutch go for danceable tunes.

SPINNING SALES

Most people buy prerecorded music on cassette, but CD purchases are catching up fast. (Manufacturers' unit shipments of prerecorded music, in value in US$ millions, 1987)



Note: Sales of cassette singles, a new category in 1987, totaled $14 million.
***Source:** Recording Industry Association of America.*

Although American radio is one of the best media vehicles for selling a song, European radio is rarely used for that purpose. There aren't enough rock stations. Marketers rely more heavily on TV videos, print advertisements, and dance-club playlists.

Despite the occasional success of bands like Australia's INXS or West Germany's heavy-metal Scorpions, the U.S. and U.K. tend to switch leadership in the worldwide rock-and-roll market every few years. In terms of sales, the U.S. has been riding high in recent years with artists like Houston, Michael Jackson, and Bruce Springsteen.

The U.S. also represents the single biggest market for rock. Musicians sold 619 million cassettes, albums, and CDs in the U.S. last year—up from 534 million in 1985. Dollar sales climbed to US$5.3 billion from $4.1 billion in 1985.

In Japan, Michael Jackson's *Bad* was the country's top-selling record last March, at 685,824 copies. Exchange rates are so favorable for the Japanese that a band can be unknown in the States, but make a comfortable living from Japanese royalties.

So far, Latin American and African rock lovers have not figured prominently in many companies' marketing plans. That is changing, however, with the introduction of a new "world music" category.

One of the rock marketers' biggest prospects is just a stone's throw away from historic Liverpool. "Everybody is now vying for Eastern Europe," says A&M's Lissa Otto, who pins her hopes on Czechoslovakia, Hungary, and even Poland. "They will all go if the Soviet bloc goes," she says. And these days, the Soviet Union has been known to do more surprising things.

—Ruth Hamel
San Francisco, CA

Already, the CD is becoming standard in many countries: an estimated 16 percent of Japanese homes and 18 percent of Dutch households own a disc player.

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—compiled by Robert Kibbee

P U B L I C A T I O N S

MORE PEOPLE, MORE MONEY?

World Population Trends and Their Impact on Economic Development, edited by Dominick Salvatore, Greenwood Press, Inc., 88 Post Road West, Box 5007, Westport, CT 06881, US$39.95.

Does a world of 6 billion people spell economic disaster? Demographers and economists disagree in *World Population Trends and Their Impact on Economic Development,* a collection of essays edited by Fordham University's Dominick Salvatore.

The belief that population growth only brings economic harm should be reexamined, says Sweden's Professor Göran P. Ohlin. "Concerns about population growth tend to fasten on others," he writes. "The rich worry about the growth of the poor, and rich countries worry about the growth of poor countries. Protestants worry about the growth of Catholics, and one state or province worries about the growth of another one with a different ethnic thrust."

Population growth may even boost GDP through "the quantity and quality of the labor force, an augmentation of the pool of savings, a stimulus to new investment and technological improvement,...[and] hastening the discovery and exploitation of natural resources," suggest authors Dr. David E. Horlacher of the UN and Dr. F. Landis MacKellar of Queens College.

Population growth has its costs, especially in major metropolitan areas. Many well-intentioned policies of the 1950s are coming under criticism today. Rural-urban migration projects that moved millions of farmers off their fields and into factories now add to a severe unemployment and underemployment problem in some of the world's poorest cities. Partly because of these programs, the population in less-industrialized urban areas has grown more than 3 percent a year since 1950.

Industrialized countries that want to aid their less-industrialized neighbors are not following the economic law of comparative advantage, claims John J. Piderit. "Efforts to increase per capita income may be more productive than programs in family planning," he writes. "Since the expertise of developed countries is in markets, to alleviate overpopulation it might make more sense for the developed countries to offer to assist less developed countries in establishing markets or in improving the functioning of already existing ones."

—Blayne Cutler

C I T Y S T A T S

HOLD THE PICKLE, S'IL VOUS PLAIT

It may be worth the flight to Hong Kong for some cheap fast food.
(Cost of a typical fast food meal, including a quarter-pound cheeseburger, large order of fries, and medium soft drink, in US$, 1988)

City and country	*Price*	*City and country*	*Price*
Paris, France	$6.25	Bangkok, Thailand	$3.05
Stockholm, Sweden	6.01	Sydney, Australia	2.67
Tokyo, Japan	5.84	São Paulo, Brazil	2.27
Milan, Italy	5.31	Istanbul, Turkey	2.20
Frankfurt, West Germany	4.95	Manila, Philippines	1.98
London, England	4.17	Cairo, Egypt	1.96
Seoul, South Korea	4.14	Hong Kong	1.81
Riyadh, Saudi Arabia	4.00		
Nassau, Bahamas	3.60		
Mexico City, Mexico	3.33		
Average United States city	3.13		

Note: All prices are based on data gathered during the first quarter 1988 using March 1988 exchange rates.
Source: Runzheimer International, 9/6/88.